



**SUBMISSION OF WABERER'S INTERNATIONAL
NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG
ANNUAL GENERAL MEETING**

Budapest, 19 April 2021

Background

The Board of Directors of WABERER'S INTERNATIONAL Nyrt. (the Company) convened the General Meeting of the Company for 19 April 2021. *In the Invitation published on March 26 2021, the Company informed its shareholders that it cannot held the General Meeting with the personal presence of the shareholders in view of the emergency situation due to the corona virus pandemic pursuant to Point 12. Section 2. § (4) of Act I of 2021 on the prevention against the corona virus pandemic. In view of the different regulations applicable during the emergency situation detailed in the Government Decree 502/2020. (XI. 16.) (Government Decree), the Board of Directors decided to make the resolutions in capacity of the General Meeting on 19 April 2021, which were referred to its competence of the Government Decree.*

The Board of Directors is authorized to decide on all issues of the agenda of the General Meeting published on 26 March 2021. Pursuant to Section 9. § (5) of the Government Decree, the Board of Directors shall decide on the financial report prepared based on the Accounting Act, and besides approving the financial report, it may also decide on the use of the after-tax profit.

Shareholders controlling at least 1% of voting rights in the Company have the right to initiate the convenience of the General Meeting at the Board of Directors

- (1) for the posterior approval of the decision of the Board of Directors regarding the financial statements and the application of the results after tax until May 19, 2021;
- (2) for the posterior approval of other decisions of the Board of Directors – excluding the decisions regarding the financial statement – made within the competence of the General Meeting within 30 days from the end of the state of emergency.¹

Failure to comply with the above two deadlines - including if the shareholder's initiation is not received by our Company by the last day of the deadline - will result in forfeiture of the right. If the shareholders do not initiate the convening of the General Meeting within the deadline, the decision of the Board of Directors to approve the financial statement may not be on the agenda of the next General Meeting.

In order to initiate the convention of the General Meeting the shareholder or the nominee must be registered in the Register of Shareholders by no later than on the second business day preceding the date of commencement of the General Meeting. For establishing the Register of Shareholders of the General Meeting the Company requested the owner identification of ordinary shares without blocking from KELER Zrt. The record date of the owner identification is 12 April 2021, the closing date of the Register of Shareholders is 15 April 2021.

The Company shall publish the resolutions made by the Board of Directors within the competence of the General Meeting in the usual manner.

¹ Pursuant to Section 9 (8) of the Government Decree, this shareholder's right can be exercised by September 30, 2021 at the latest, after which the issues requiring posterior approval must be placed on the agenda of the next General Meeting.

This document contains the submissions of the following agenda items for the Annual General Meeting:

1. Report of the Board of Directors on the management of WABERER'S INTERNATIONAL Nyrt., its business operation, its business policy and its financial situation (both the Company and WABERER'S Group) in 2020
2. Approval of the 2020 Consolidated Financial Statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board and the Auditor
3. Approval of the 2020 Standalone Financial Statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS) and on the proposal for the application of the result after tax in 2020; presentation of the relevant report of the Supervisory Board and the Auditor
4. Approval of the Corporate Governance Report
5. Grant of waiver from liability to the members of the Board of Directors
6. Advisory vote on the unified text of the amended Remuneration Policy of WABERER'S Group
7. Withdrawal/approval of resignation of member(s) of the Board of Directors; election and decision on the remuneration and conflict of interest issues of the members of the Board of Directors
8. Withdrawal/approval of resignation of member(s) of the Supervisory Board; election and decision on the remuneration of the members of the Supervisory Board
9. Withdrawal/approval of resignation of member(s) of the Audit Committee; election and decision on the remuneration of the members of the Audit Committee
10. Election and decision on the remuneration of the members of other Committees operating at the Company
11. Election and determination of the remuneration of the Company's Statutory Auditor, and determination of the content of the substantial elements of the contract to be concluded with the Statutory Auditor
12. Authorization for the Board of Directors to acquire the ordinary shares of Waberer's
13. Other items

1. REPORT OF THE BOARD OF DIRECTORS ON THE MANAGEMENT OF WABERER'S INTERNATIONAL NYRT., ON THE BUSINESS OPERATION, ON THE BUSINESS POLICY AND ON THE FINANCIAL SITUATION OF THE COMPANY AND WABERER'S GROUP IN 2020

According to Section 6.6 of the Articles of Association and pursuant to Section 3.1.3 of the By-laws of the Board of Directors of WABERER'S INTERNATIONAL Nyrt. (WABERER'S or the Company) the Report of the Board of Directors on the management on the business operation, on the business policy and on the financial situation of the Company and WABERER'S Group shall be submitted to the General Meeting annually.

BUSINESS POLICY AND FINANCIAL SITUATION OF THE COMPANY

Business Environment and Results

| Income Statement (EUR mn)

	2020 fully year ¹	2019 full year ¹	Increase (decrease)
Revenue	569.3	696.2	(18.2%)
Direct costs	(458.0)	(578.9)	20.9%
Gross profit (recurring)	111.3	117.3	(5.1%)
OPEX	(56.0)	(59.0)	4.9%
EBITDA (recurring)	55.3	58.4	(5.3%)
Depreciation and Amortisation	(53.2)	(69.4)	23.4%
EBIT (recurring)	2.1	(11.0)	
Financial result	(12.9)	(6.0)	(114.3%)
Taxes	(4.5)	(6.4)	29.8%
Net income (recurring)	(15.2)	(23.4)	34.9%
Non-recurring items	(26.6)	(18.4)	(44.5%)
Gross margin (recurring)	19.6%	16.9%	2.7pp
EBITDA margin (recurring)	9.7%	8.4%	1.3 pp
EBIT margin (recurring)	0.4%	(1.6%)	2.0 pp
Net income margin (recurring)	(2.7%)	(3.4%)	0.6 pp
Average number of active trucks	3 021	4 094	(26.2%)
Average number of employees	7 000	7 657	(8.6%)
Average number of active truck drivers	3 984	5 507	(27.7%)

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as Direct Costs. EBITDA is not affected.

Economic environment

European industrial production, retail trade and the economic indicators driving the demand for the Group's services showed an extremely hectic picture throughout 2020. As part of the anti-pandemic measures, the lockdowns in spring caused industrial production to plummet to a mere 20-30% along with a sharp decline in retail turnover compared to the same period of 2019. In H2 2020, while retail turnover was already 2% up on the same period of the previous year, industrial production across Europe remained by an average of 4% below the comparative period of 2019.

As for our primary costs, fuel prices were extremely volatile throughout 2020. Fuel prices highly depend on crude oil prices which slumped from nearly USD 70 in early 2020 to under USD 30 in the spring months only to rise above USD 50 by the end of the year. However, due to a 'fuel

clause' in our transportation contracts, permanent changes in fuel prices are in part automatically reflected in our service charges.

The significant increase in wages and salaries started in the previous years continued in 2020, and remunerations in our transportation and logistics segments increased by a nationwide average of 8% compared to 2019. In ITS segment, pay conflicts in 2020 remained at a manageable level due to our significantly reduced fleet.

Transformation programme

As part of our fleet reduction programme started in the previous years, nearly 900 vehicles in the ITS segment were stopped by the end of 2020. Concurrently with the optimisation of the fleet size, Trade Lane model based operating strategy was introduced in H2 2020 which fosters more focused, geographically dedicated and more tailored services to key customers with a reduced fleet. As a result of this new strategy, despite a weaker macroeconomic environment, the performance of the ITS segment has shown improvement month by month compared to the similar period of 2019.

Revenue

Revenues fell by 18% to EUR 569.3 million in FY2020. Revenue in the ITS segment was 32.9% lower compared to 2019, mostly due to the fleet reduction, sudden slump in market demand and temporary collapse in spot rates as a result of the lockdown measures taken across Europe in response to the pandemic. At the same time, however, the revenues of RCL segment increased by 17% to EUR 173.5 million in 2020, as this segment weighs more and more each year in the Group's overall performance. The revenues of Other segment, which includes insurance services to third parties, increased by 5.5% to EUR 72.2 million.

Gross margin, EBITDA and EBIT

Following a 5.1% change, group-level gross margin totalled EUR 111.3 million. Gross margin improved by 2.7 %point and showed an improvement both in ITS and RCL segment in 2020.

The Group's recurring EBITDA dropped by 5.3% to EUR 55.3 million, which is a 1.3 %point improvement on EBITDA margin.

As a result of an EUR 13 million improvement in the recurring EBIT, it increased to EUR 2.1 million in 2020 partly due to the improved performance of our core operations and partly to less depreciation cost on the reduced fleet. Despite lease payment moratorium in 2020, D&A calculation was not affected

Net profit or loss

Financial result decreased by EUR 6.9 million to EUR 12.9 loss. Compared to 2019, the non-realized, non-cash FX effect - resulting from the different functional currencies of some of the subsidiaries (HUF and PNL) - worsened by EUR 7.6 million and totalled EUR - 7.8 million.

As a result of a 34.9% improvement, our recurring net income improved to EUR -15.2 million in 2020, while the reported net income for 2020 was EUR -41.8 million. The difference was mostly due to the one-off cost of ITS restructuring (redundancies, vehicle repairs related to disposals, depreciation of vehicles no longer in use for operations but not yet returned) in the value of EUR 10.3 million and also to an EUR 13.9 million impairment of LINK (the Group's Polish subsidiary) to EUR 15.2 million.

Cash flow

| Cash Flow Statement (EUR mn)¹

	Jan-Dec 2020	Jan-Dec 2019
Net cash flows from operations	77.0	51.5
of which: change in working capital	27.9	(10.8)
Net cash flows from investing and financing activities	(51.7)	(58.2)
Change in cash and cash equivalents	25.2	(6.8)
Free Cash Flow	37.6	11.4
CAPEX	(3.8)	(11.1)

¹ Figures not adjusted for IFRS 16 effects.

Operating cash flows in 2020 totalled EUR 77.0 million as a result of improved results and better working capital management.

Investing and financing cash flows showed a net outflow of EUR 51.7 million in 2020 as opposed to EUR 58.2 million a year earlier. Due to the lease moratorium in 2020, leasing fees had to be paid for the returned vehicles only, therefore cash outflows due to leases declined by EUR 58 million compared to 2019. As a result of our improved liquidity position, net borrowings taken in 2020 showed an EUR 16.2 million decrease as opposed to the EUR 30.7 million increase in 2019.

Free cash flows, which include free operating cash flows, capital expenditures and leased fleet financing totalled EUR 37.6 million in 2020, which is an EUR 26.2 million improvement compared to 2019.

Debt

| Indebtedness figures (EUR mn)

	31 Dec 2020	31 Dec 2019
Net financial indebtedness	119.3	191.1
Net leverage ratio	2.2	3.3

Net financial indebtedness decreased to EUR 119.3 million on 31 December 2020, which is EUR 71.8 million less than at the end of 2019 mainly as a result of a smaller fleet in the ITS segment and an improved cash position.

In addition to the significant decline in net indebtedness as presented above, the decrease in the recurring EBIDTA was much less in 2020 with a drop of only 5.3%, hence the net leverage ratio, being the multiple of the recurring EBIDTA in the previous 12 months, dropped from 3.3 at 31 December 2019 to 2.2 by the end of 2020.

The submission is informative and contains no resolution proposal.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed the report of the Board of Directors on the management of the Company, the business operation, the business policy and the financial situation of the Company and of the WABERER'S Group in 2020 and acknowledged it.

2. DECISION ON THE APPROVAL OF THE 2020 CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS); PRESENTATION OF THE RELEVANT REPORT OF THE SUPERVISORY BOARD AND THE AUDITOR

Pursuant to Clause 3:109 (2) of Act V of 2013 on the Civil Code and Section 5.9.1. i) of the Articles of Association approving the financial statements prepared in accordance with International Financial Reporting Standards (IFRS) falls within the exclusive competence of the General Meeting.

The relevant 2020 Consolidated Financial Statements of the Company are available on the Company's website.

The Board of Directors submits the following resolution proposal to the General Meeting:

AGM Resolution 1/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting approves the 2020 Consolidated Financial Statements of the Company, prepared in accordance with International Financial Reporting Standards (IFRS), with a balance sheet total of EUR 498,961 thousand and a total comprehensive loss for the year of EUR 47,483 thousand.

Relevant part of the report of the Supervisory Board:

In fulfilment of its statutory obligation of oversight, the Supervisory Board has reviewed the audited financial statements of WABERER'S INTERNATIONAL Nyrt. for the business year 2020. In the opinion of the Supervisory Board the 2020 Consolidated Financial Statement meet the regulatory expectations, and the Supervisory Board agrees with its content.

In accordance with the proposal of the Board of Directors, the Supervisory Board proposes that the General Meeting approve the 2020 Consolidated Financial Statement of the Company prepared in accordance with the International Financial Reporting Standards (IFRS) with a balance sheet total of EUR 498,961 thousand and a total comprehensive loss for the year of EUR 47,483 thousand.

3. DECISION ON THE APPROVAL OF THE 2020 STANDALONE FINANCIAL STATEMENTS OF THE COMPANY PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) AND ON THE PROPOSAL FOR THE USE OF THE PROFIT AFTER TAX; PRESENTATION OF THE RELEVANT REPORT OF THE SUPERVISORY BOARD AND THE AUDITOR

Pursuant to Clause 3:109 (2) of Act V of 2013 on the Civil Code and Section 5.9.1. i) of the Articles of Association approving the financial statements prepared in accordance with International Financial Reporting Standards (IFRS) falls within the exclusive competence of the General Meeting.

The relevant 2020 Standalone Financial Statements of the Company are available on the Company's website.

The Board of Directors submits the following resolution proposal to the General Meeting:

AGM Resolution 2/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting approves the 2020 Standalone Financial Statements of the Company prepared in accordance with International Financial Reporting Standards (IFRS), with a balance sheet total of EUR 235,238 thousand and a total comprehensive loss for the year of EUR 43,957 thousand. The loss of EUR 43,957 thousand stated in the Standalone Financial Statements for 2020 shall be deposited in the retained earnings of the Company in full amount.

Relevant part of the report of the Supervisory Board:

In fulfilment of its statutory obligation of oversight, the Supervisory Board has reviewed the audited financial statements of WABERER'S INTERNATIONAL Nyrt. for the business year 2020. In accordance with the proposal of the Board of Directors, the Supervisory Board proposes that the General Meeting approve the 2020 Standalone Financial Statement of the Company with a balance sheet total of EUR 235,238 thousand and a total comprehensive loss for the year of EUR 43,957 thousand.

The Supervisory Board agrees with the proposal of the Board of Directors for the appropriation of profits, and recommends that the General Meeting approve that the entire loss be transferred to the retained earnings of the Company.

4. APPROVAL OF THE CORPORATE GOVERNANCE REPORT REGARDING THE PERIOD OF JANUARY 1, 2020 – DECEMBER 31, 2020

According to Clause 3:289. § of the Hungarian Civil Code the board of directors of listed companies are obliged to present to the annual general meeting the company's governance and management report prepared according to the rules applicable to the actors of the given stock exchange. As per Section 5.9.1. n) of the Articles of Association, approval of the corporate governance report is within the exclusive scope of the general meeting. The reports and its attachments were prepared in compliance with the provisions of the Civil Code and the Corporate Governance Recommendations (CGR) of the Budapest Stock Exchange (BSE) effective from January 1, 2021.

The Board of Directors submits the following resolution proposal to the General Meeting:

AGM Resolution 3/2021. (IV. 19.)

The Board of Directors pursuant to Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting approves the Corporate Governance Report of the Company for the business year 2020.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the Corporate Governance Report of the Company for the business year 2020 proposed by the Board of Directors and the Supervisory Board fully agrees therewith. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

WABERER'S INTERNATIONAL NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG
CORPORATE GOVERNANCE REPORT
FOR THE PERIOD OF 1 JANUARY 2020 TO 31 DECEMBER 2020

The Board of Directors of WABERER'S INTERNATIONAL Nyilvánosan Működő Részvénytársaság (hereinafter the Company or Waberer's) approves and submits for approval the Corporate Governance Report to the annual General Meeting with the following content based on the amended Corporate Governance Recommendations (CGR) of the Budapest Stock Exchange (BSE) effective as of 1 January 2021 and the respective regulations of Act V of 2013 on the Civil Code (Civil Code):

1. Brief introduction of the operations of the Board of Directors, and of the responsibilities and competences between the Board of Directors and the management

The management body of the Company is the Board of Directors, who manages the issues of the Company and the Group, represents the Company vis-à-vis third parties and before courts and other authorities. The Board of Directors is entitled to acquire rights and undertake obligations on behalf of the Company and to determine the business activities of the Company. Members of the Board of Directors shall conduct their activity with due care and diligence as generally expected from persons in such positions, and give priority to the interests of the Company.

The Board of Directors shall consist of maximum 7 (seven) members. The members of Board of Directors shall be elected by the General Meeting for a three years term. The assignment of the members of the Board of Directors, unless otherwise provided by the General Meeting, lasts for a term of three years until 31 May of the third year subsequent to the date of the said General Meeting with the exception, that if the General Meeting in the third year is held prior to 31 May than their assignment lasts until the date thereof. The members of the Board of Directors shall elect a chairman and a deputy chairman from among themselves. The division of responsibilities and competences among the members of the Board of Directors is specified in detail in the By-laws of the Board of Directors: (www.waberers.com/en/investors/policies). The Board of Directors establishes its own rules of procedure itself.

The Board of Directors may make decisions on all issues and matters concerning the Company and the Group which do not fall within the exclusive competence of the General Meeting. In matters which fall within the exclusive competence of the General Meeting by virtue of law the Board of Directors shall make proposals for the resolutions of the General Meeting.

The responsibilities of the Board of Directors include primarily, but not exclusively, the following:

- supervision of the individual and the consolidated business and financial plans, significant capital investments, acquisitions and divestments of the Company or any Group member;
- submission to the General Meeting for approval the proposal of the Company's annual financial statement and the proposal of the utilization of after tax profits;
- submission to the Annual General Meeting for decision the Company's Corporate Governance Report, continuous observation of the efficiency and effectiveness of the practice of company management;

- report on the management, the financial situation, the business policy and financial and investment plans of the Company, at least once a year to the General Meeting and quarterly to the Supervisory Board;
- arrangements for keeping the books of the Company in accordance with the rules;
- participating in the determination of strategic guidelines and the formation of the corresponding strategy and participation in any kind of strategic cooperation agreements, associations, joint ventures on behalf of the Company or any member of the Group;
- exercise the shareholder rights with regard to the Material Subsidiaries;
- after discussion with the Supervisory Board, setting corporate objectives and continuous monitoring of company performance, informing the Supervisory Board about the achievement of these objectives;
- ensuring the integrity of financial and accounting reports;
- exercising employer's right over employees holding key positions, development of the principles applicable to the remuneration of the management, supervision of the activity of the management and if necessary, taking appropriate steps in line with the Remuneration Policy adopted by the General Meeting;
- management of conflicts of interest, approval of substantial related party transactions and adoption of guidelines strengthening the principle of application of standard terms and conditions between independent parties, monitoring of the Company's practice in this regard, accepting Code of Conduct;
- establishment of risk management guidelines and policies, to ensure the continuous assessment of all risk factors, the obtainability of internal control mechanisms and the legal compliance;
- determination of a mechanism for the selection of the members of the Board of Directors;
- determination of the principles and basic procedure of the succession of the Company's key management;
- defining guidelines and policies - and monitoring the compliance therewith - for transparency of corporate operations and for disclosure of information on the Company
- ensuring the communication on an appropriate level and appropriate frequency with the shareholders, approving the Insider Trading Policy and decide in matters under the Insider Trading Policy.

The Board of Directors shall have a quorum, if at least half of the Members of the Board are present at the meeting. The Board of Directors shall adopt its resolutions by open vote and a simple majority of the present Board members, except when the By-laws impose otherwise. Further rules of the conduct of meetings, powers and adoption of resolutions of the Board of Directors are set out in the By-laws of the Board of Directors.

2. Introduction of the members of the Board of Directors and of the structure of the Board

The members of the Board of Directors may hold executive positions in business associations conducting the same activity as the Company only if they have been granted authorizations by the Board of Directors of the Company. Such authorization was granted to Gerard van Kesteren, the present chairman of the Board of Directors, who besides his membership in the Board is a member of the supervisory Board of Raben Group and Planzer Holding AG companies.

Considering that there is a two-tier governance system at the Company, the independence of the members of the Board of Directors does not required to be examined, yet the Company strives to comply with the guidelines listed in Sections 2.6. of the CGR. Pursuant to the Relationship agreement between the Company and CEE TRANSPORT HOLDCO S.á r.l.,

the largest shareholder, the shareholder delegates one or two member into the Board of Directors, depending on the number of the shares it owns in the Company. The Board of Directors had two operational members in 2020 until the resignation of Robert Ziegler, thereafter one operational member.

The members of the Board of Directors, their independency status and the date of their appointment in year 2020 (the present members' professional CV is available on the website of the Company):

Name	Status	Date of appointment
Gerard van Kesteren	independent, non-operative (external) member / chairman	29.07.2016. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
Barna Erdélyi	non-independent, operative member	21.03.2017. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
Alain Beyens	non-independent (delegated by the Main shareholder), non-operative (external) member	30.04.2020. – 31.05.2023. on the publishing date of the present submissions Mr. Alain Beyens, Member of the Board of Directors has submitted his resignation which shall take effect on the date of the General Meeting.
Péter Lakatos dr.	independent, non-operative (external) member	29.07.2016. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
Robert Knorr	non-independent (delegated by the Main shareholder), non-operative (external) member	21.12.2017. – 30.04.2020.
Csanád Dániel	non-independent (delegated by the Main shareholder), non-operative (external) member	28.08.2018. – 12.02.2020.
Robert Alexander Ziegler	non-independent, operative member	16.04.2019. – 23.03.2020.

Of the members of the Board of Directors, Péter Lakatos via Lakatos, Köves and Partners Law Office, controlled by him, is engaged with the Company other than his board membership. However, the member of the Board of Directors declared that the legal relationship indicated

above does not lead to conflict of interest and does not threaten the decision-making serving the interests of all shareholders.

On December 31, 2020 the members of the Board of Directors held the number of shares indicated below:

Gerard van Kesteren	3 049 pcs shares
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In 2020 the Board of Directors held 14 (fourteen) ordinary meetings and 5 (five) extraordinary meetings, typically within conference calls with the participation rate detailed below:

Name	Number of the meetings	Participation rate	Note
Total	19		
Gerard van Kesteren	19	100%	
Erdélyi Barna	19	100%	
Alain Beyens	11	92%	Became a Board member as of 30 April 2020.
dr. Lakatos Péter	19	100%	
Robert Knorr	6	86%	His Board membership was terminated as of 30 April 2020.
Dániel Csanád	1	50%	His Board membership was terminated as of 12 February 2020.
Robert Alexander Ziegler	5	83%	His Board membership was terminated as of 23 March 2020.

In addition, during the pandemic, the Board of Directors liaised with the members of the management on a weekly basis in conference calls in matters of extraordinary issues of the Group in order to preserve the health of colleagues and maintain the business continuity.

The main topics of the meetings of the Board of Directors held in 2020 included the management of the pandemic situation due to Covid-19, preparation of the business units for the cooperation after the United Kingdom leaving the EU (Brexit), acceptance and quarterly review of the standalone and the consolidated business plan, review of the monthly and other periodical performance and KPI indicators of the Group, building the short- and long term transformation strategy of the Group, and discussing the relating group structural, organizational restructuring and personal issues, action plans pursuant to the business environment changes, supervision of the key lawsuits, decision on the asset management discussion of the financing agreement, MRP Organization related decisions, decisions on personal matters (as granting and revoking signing rights), preparing a remuneration and incentive system for the employees holding key positions, discussion of the risk evaluation,

maintaining the effectiveness of the corporate governance practice, approving policies and by-laws originating from the changing BSE (Budapest Stock Exchange) recommendations.

The Board of Directors of the Company may adopt written resolutions between the meetings of the Board of Directors. In 2020, 16 (sixteen) resolutions in writing were adopted by the Board in the above listed issues.

3. Chief Executive Officer

The work of the Company is organised, led, directed and supervised by the CEO subject to the relevant legislation and the Articles of Association as well as in accordance with the decisions of the General Meeting and the Board of Directors. His scope of authority includes making decisions on all cases that are not referred to the exclusive competence of the General Meeting, the Board of Directors or the Supervisory Board. The CEO establishes the work organisation of the Company, exercises the employer's rights over the employees of the Company – with the limitations in the By-laws of the Board of Directors -, but may delegate this power to the employees of the Company.

The CEO of the Company is elected by the Board of Directors, the position has been occupied by Robert Alexander Ziegler as of 1 February 2019 until 23 March 2020. Mr. Barna Erdélyi took over the role of CEO as of 23 March 2020.

4. Introduction of the management

The following persons belong to the Key Management of the Company and the Group in the business year of 2020:

- Robert Alexander Ziegler, former CEO until 23 March 2020;
- Erdélyi Barna, former CFO, and CEO as of 23 March 2020
- Olivier Van Houtte, head of international operational business segment from 1 February 2020 until 1 February 2021;
- Szabolcs Tóth, financial and strategic director from 23 June 2020, and CFO from 1 February 2021;
- Zsolt Barna, Managing Director of Waberer's-Szemerey Kft. and head of the regional contract logistics business line, besides that COO responsible for the Hungarian based international transportation business at the Company as of 1 February 2021;
- Nyilasy Bence, CEO of Wáberer Hungária Zrt.;
- Pawel Moder, CEO of LINK sp.z.o.o.

The curricula vitae of the members of the management employed by the Company are available on the Company website (www.waberers.com/en/about-us/corporate-governance).

Relationship between the Board of Directors and the Management:

The Chief Executive Officer of the Company participated as executive board member in the ordinary and extraordinary meetings of the Board of Directors and as such management is actively involved in the work of the Board of Directors. The Board of Directors invited the CFO other business line managers to the meetings to discuss specific topics on ad hoc basis.

The Management reports to the members of the Board of Directors on a monthly basis within the framework of the Meetings of the Board of Directors on the effectiveness of the activities of the Company and the Group, and prepares and forwards other, prompt financial reports

to the Board of Directors on a weekly basis. The monthly management report provides information about the monthly and periodic cumulative development of the business operations of the Company and the Group in a uniform, standard structure, presenting primarily the deviation of the effectiveness and key performance indicators from the values for the baseline period and the budget. Main business and other data presented in the monthly management report:

- development of the consolidated profit/loss of the Company and the Group;
- development of the EBITDA and EBIT of the Company and the Group by main business functions and detailed variance analysis of deviations;
- development of the consolidated sales of the Company and the Group;
- the development of the results, key performance and quality indicators of the business lines (mainly the international transportation business and regional contract logistics segment, and the insurance company) and the business units in the newly introduced trade lane business model;
- development of the asset and financial situation and indebtedness of the Company and the Group;
- management of the pandemic situation (Covid-19);
- preparation for the border crossing and customs management related tasks due to United Kingdom leaving the EU (Brexit);
- development of the vehicle sale process, and the reasons behind the differences;
- working capital management.

In the event of significant changes affecting the business operations of the Company and the Group and in the case of projects deviating from the budget Management prepares ad hoc analyses for the Board of Directors.

5. Supervisory Board

The Supervisory Board consisted of 6 members in 2020. The members of the Supervisory Board are elected by the General Meeting for a 3 (three) years term. The assignment of the members of the Supervisory Board, unless otherwise provided by the General Meeting, lasts for a term of three years until May 31 of the third year subsequent to the date of the said General Meeting with the exception, that if the Annual General Meeting in the third year is held prior to May 31 than their assignment lasts until the date thereof. One third of the Supervisory Board shall be delegates of the employees. Employee delegates are nominated by the Works Council from among the employees, taking into account the opinion of the trade unions operating at the Company. Employees of the Company may not become members of the Supervisory Board, unless they are employee delegates. Once elected, the Supervisory Board elects a Chairman from among its members for the period of the Chairman's mandate as a member.

The majority of the members of the Supervisory Board must be independent. A member of the Supervisory Board is considered independent if he or she does not have any legal relationship with the Company other than his or her Supervisory Board membership and the relationship falling within the usual activities of the Company and operations meeting the needs of the member of the Supervisory Board. The majority of the members of the Supervisory Board have no relationship with the Company, its management and its significant shareholders. The Supervisory Board requests that its members confirm their independence annually, prior to the Corporate Governance Report.

The members of the Supervisory Board are obliged to participate in the work of the Supervisory Board in person. The members of the Supervisory Board are independent of the management of the Company and may not be instructed during their activities. The

Supervisory Board establishes its rules of procedure itself, which is approved by the General Meeting.

Members of the Supervisory Board may not acquire any shares and may not be an executive officer in such business associations which pursue as its main activity the same economic activity as the Company. In case of accepting an executive officer position, the Member shall inform the Supervisory Board within 15 (fifteen) days from the acceptance.

The Supervisory Board supervises the management of the Company in order to protect the interests of the Company. In order to perform this activity, it may have access to the documents, accounting records and books of the Company, may request information from the Board of Directors and the employees of the Company, may inspect the payment account, cash in hand, portfolio of securities, goods in stock and contracts and agreements of the Company, or may have them inspected by an expert. The Supervisory Board is obliged to examine the proposals to the General Meeting and to present its position on such proposals at the General Meeting. The submission to the General Meeting in subject of the Remuneration Policy shall be reviewed by the Supervisory Board in advance. The General Meeting may adopt resolutions on the Financial Statements and on the appropriation of profits after tax only in possession of the written report of the Supervisory Board.

If, according to the Supervisory Board, the activities of the management violate the relevant legislation or the Articles of Association, or are contrary to the resolutions of the General Meeting or otherwise infringe the interests of the Company, the Supervisory Board is entitled to convene the General Meeting in order to discuss this issue and to adopt the required resolutions.

The Supervisory Board adopts its resolutions by a simple majority of votes. The detailed rules for the operation of the Supervisory Board are set out in the rules of procedure of the Supervisory Board (www.waberers.com/en/investors/policies).

Members of the Supervisory Board, their independency status and dates of appointment in 2020 (the professional curricula vitae of the current members of the Supervisory Board are available on the Company website (www.waberers.com/en/investors/in-corporate-governance)):

Name	Independency status	Dates of their appointment and length of their mandate
Gábor Béla Nagy	independent / chairman	31.05.2017. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
David William Moffat Thompson	independent	28.08.2018. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
Sándor Székely, employee delegate	non- independent	11.05.2017. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.

Mária Szalainé Kazuska, employee delegate	non- independent	31.05.2017. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
Philip Anthony Marshall	independent	31.05.2017. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.
György Zoltán Bodnár dr.	independent	31.05.2017. – 31.05.2021. or if the Annual General Meeting will be held prior to that, then the date thereof.

In the 2020 financial year, the Supervisory Board held 5 (five) meetings with the below detailed participation rate and adopted all resolutions with 100% support. The Supervisory Board have not adopted any resolutions without holding a meeting in 2020.

The main topics of the Supervisory Board meetings held in 2020 included the approval of the standalone and consolidated financial statements of 2019 financial year, approval of the internal audit plan and review of the internal audit reports, review of the quarterly report of the Board of Directors of the management of the Company, discussion of certain risk factors, comment the General Meeting resolutions and the quarterly financial results, monitoring the newly introduced trade lane model.

Name	Number of meetings	Attendance rate
Total	5	
Gábor Béla Nagy	5	100%
David William Moffat Thompson	5	100%
Sándor Székely	5	100%
Mária Szalainé Kazuska	5	100%
Philip Anthony Marshall	5	100%
Zoltán György Bodnár dr.	3	60%

6. Audit Committee

The General Meeting elects an Audit Committee with 3 (three) members from the members of the Supervisory Board qualifying as independent for the same period as that of the Supervisory Board membership of the individual members.

The members of the Audit Committee, their independency status and their appointment date (the professional curriculum vitae of the current members are available on the Company website):

Name	Independency status	Date of their appointment and length of their mandate
David William Moffat Thompson	independent chairman /	for the length of his mandate in the Supervisory Board
Philip Anthony Marshall	independent	for the length of their mandate in the Supervisory Board
Zoltán György Bodnár dr.	independent	for the length of their mandate in the Supervisory Board

The Audit Committee assists the Supervisory Board in the control of the financial reporting system, in the election of the Auditor and in co-operation with the auditor. The Audit Committee is entitled to use external adviser(s), as required, for performing its tasks. The Audit Committee supervises the efficiency of risk management, the operation of the system of internal controls.

In the 2020 financial year, the Audit Committee held 6 (six) meetings with the below detailed participation rate and adopted all resolutions with 100% support.

The main topics of the committee meetings held in 2020 included the discussion of the quarterly and annual financial report for year 2019 and announcements, review of independency and the other advisory activities of the Auditor besides its audit activity, monitoring risk factors, discussion of certain outstanding risk factors, monitoring the compliance program.

Name	Number of the meetings	Attendance rate	Note
Total	6		
David William Moffat Thompson	6	100%	
Philip Anthony Marshall	6	100%	
Zoltán György Bodnár dr.	5	83%	

In the operation of the Audit Committee there has not been any case when the Board of Directors would have decided contrary to the proposal of the Audit Committee in an issue in the financial year of 2020.

7. Nomination and Remuneration Committee

Pursuant to the authorisation granted in Article 6.11 of the Articles of Association, the Board of Directors elects a three (3) member Nomination and Remuneration Committee from the members of the Board of Directors and Supervisory Board qualifying as independent for the same period as that of the Board membership of the individual members. The tasks of nomination and remuneration were consolidated in one committee in order to make the personal decision making procedure of the Board of Directors more effective.

Members of the Nomination and Remuneration Committee and their status and dates of appointment (the curricula vitae of the current members are available on the website of the Company):

Name	Impendency status	Date of their appointment
Gerard van Kesteren	independent	from June 15, 2017 for his mandate as a member in the Board of Directors
Nagy Gábor Béla	independent	from June 15, 2017 for his mandate as a member in the Supervisory Board
David William Moffat Thompson	independent	from August 28, 2018 for his mandate as a member in the Supervisory Board

The Nomination and Remuneration Committee assists the Board of Directors in the selection of the members of the governing, supervising bodies and management and in the election and evaluation of the key employees as well as on the decision of the elements of their remuneration and handling conflicts of interests.

In the 2020 financial year, the Nomination and Remuneration Committee held 6 (six) meetings with the below detailed participation rate and adopted all resolutions with 100% support. The Committee adopted one resolution without convening a meeting.

The main topics of the committee meetings held in 2020 included the remuneration of the members of the governing and supervising bodies, remuneration and succession plan and bonus system of the Company's senior managers, evaluation of their work and amendment of the Key positions, interviewing for filling in the Key positions, amendment of the rules of procedures, commenting the Remuneration Policy of the Company.

Name	Number of meetings	Attendance rate
Total	6	
Gerard van Kesteren	6	100%
Gábor Béla Nagy	6	100%
David William Moffat Thompson	6	100%

8. Criteria considered when evaluating the work of the Board of Directors, the Supervisory Board, the management and the individual members thereof

Members of the Board of Directors and the Supervisory Board evaluate their work every year by completing a self-assessment form. The Nomination and Remuneration Committee shall evaluate the performance of the individual members of the Board of Directors and the Supervisory Board primary on the basis of the answers given in the self-assessment forms, the evaluation of competences of each member and assessment of how well the respective corporate body have fulfilled their task.

The Key Management included in the By-Laws of the Board of Directors are evaluated and the principles of their remuneration are defined by the Board of Directors of the Company, with the opinion of the Nomination and Remuneration Committee. Criteria considered during

the evaluation include progress in the implementation of the long-term strategy, strategic thinking, recognition of business opportunities and market difficulties in time and responding to them, further extension of the reputation of the Company towards business partners, suppliers and investors and the skill of motivating managers and employees. The performance based remuneration of management is on annual measurement period corresponding to the business year of the Company and based on the business plan approved by the Board of Directors. The evaluation criteria of performance remuneration aimed to improve the performance of the Company and the whole Group and successfully mitigate certain risks. Reaching the indicators shall be verified by KPIs approved by the Board of Directors in the business plan and by controlling measures.

The performance evaluation for the year of 2020 did not result in any changes during the respective period.

9. The Statutory Auditor

The Statutory Auditor shall be elected by the General Meeting for a definite period, but at least for a period ending on the date of the closing of the General Meeting concluding the business year of the election and approving the consolidated balance sheet, but in any case by no later than June 30. The Statutory Auditor shall be responsible for carrying out the audit according to the relevant regulations and to provide an independent audit report of the annual financial statement of the Company whether it is in conformity with legal requirements, and whether it provides a true and fair view of the Company's assets, financial position and profit or loss. Shareholders, members of the Board of Directors and members of the Supervisory Board of the Company and the family members of these persons may not serve as Statutory Auditor. An employee of the Company may not serve as Statutory Auditor during the period of his employment and for a period of three years thereafter. The Statutory Auditor may not provide any service to the Company and may not collaborate with the Board of Directors in a way that may imperil his ability to carry out his auditing duties objectively and independently.

The Statutory Auditor of the Company elected until 30 June 2021 is Ernst&Young Könyvvizsgáló Korlátolt Felelősségű Társaság (head office: H-1132 Budapest, Váci út 20., Hungary). During the period covered by this report, the Statutory Auditor performed financial due diligence services for the Company within the framework approved by the Audit Committee. The non-audit services did not affect the independency status of the Statutory Auditor.

10. Presentation of the internal control system, report on the efficiency and effectiveness of the risk management procedures

The Company's orderly functioning is ensured by its internal control system. Within the internal control mechanism each manager shall evaluate risks under their governance area and mitigate it with establishing internal procedure and overseeing its compliance. The Internal Audit Department under its annual audit program and with ad-hoc audits can also review the effectiveness of the internal control mechanism and report towards the Supervisory Board on quarterly basis on its findings and remedy actions.

The Company's financial reporting is monitored by the segment-level and central controlling functions and are reviewed by the executive level weekly and by the Board of Directors monthly. An in-depth and extensive review of financial reports are due each quarter, when all the aforementioned functions and bodies monitor to-be-disclosed figures and messages and quarterly reports are also reviewed by the Audit Committee before disclosure.

While conducting internal control processes, the Company's internal control mechanisms are governed by the following key principles:

- Allocation of responsibilities. All duties are allocated to at least one function or leader position.
- Segregation of responsibilities. Functions and employees in the Company have clearly identified and recorded set of responsibilities.
- Independent internal audit function. The Internal Audit Department reports to the Supervisory Board.
- Technological controls. Where appropriate, technological checks are implemented to warrant against human error or misdemeanour.
- Record keeping. Record keeping procedures are implemented at all levels to ensure that the Company can monitor its past experiences.

The Company is committed to identify, measure, and manage risks in its business in order to provide a stable and profitable performance and create value to shareholders. Possible adverse outcomes are therefore an integral part of the day-to-day, as well as the strategic long-term decision-making process.

In its risk management process, the Company's main objective is always to first understand the risks and their possible effects. The Company acknowledges that in most cases the elimination of risks is not possible, but it rather seeks to mitigate and effectively manage the risks it faces. The Company thus assumes risks only after effects are properly analysed and the appropriate processes are set up to manage those risks.

Within this framework, Waberer's has specified its risk management guidelines:

- Universal approach. Relevant risks are identified and measured as precisely as possible in each key activity, project, or other aspect that can materially influence the company's operations.
- Holistic approach. Day-to-day risks are identified, measured and managed at the operative level. All risk factor sand all risk management practices, however, are considered and assessed at group level.
- Regular monitoring. The evolution of risks and their management are monitored by the operative level, with strategic risks being monitored by the Audit Committee and the Board of Directors.
- Prioritising. Resources are allocated to prioritise risk management of risks that are most likely to materialise and have the highest potential impact.
- Efficiency in risk management. When selecting the method of risk management, the most efficient tool is selected.

11. General overview of the mode of exercising shareholder rights

Shareholders are entitled to exercise shareholders rights vis-à-vis the Company in possession of the shares or certificate of ownership following their entry into the register of shareholders. No certificate of ownership is required for the exercising of shareholder rights, if entitlement is verified by way of the shareholder identification procedure. The Company accepts the certificate of deposit issued by KELER Központi Értéktár Zrt. as depository or issued based on the certificate of KELER Központi Értéktár Zrt. as verification of the ownership title of the share.

The register of shareholders is kept by KELER Központi Értéktár Zrt. as commissioned by the Board of Directors. Any shareholder who has been formally identified must be registered in the register of shareholders upon request made to the keeper of the register. In accordance with the provisions under Section 3:246(3) of the Civil Code, the keeper of the register of the shareholders may refuse to comply with the request of a formally identified person, if such person has acquired his shares in violation of the regulations on the transfer of shares set out

by law or the Articles of Association. Registered shareholders must be deleted from the register of shareholders upon their request.

Shareholders registered in the register of shareholders are entitled to participate in, request information and make comments and proposals, as well as to vote at the General Meeting, if they hold shares with voting rights. Each share in the Company entitles its holder to one vote. Shareholders may exercise their voting rights, only if they have performed their capital contribution.

Shareholders shall be entitled to a dividend in proportion to the nominal value of the shares they hold from the Company's distributable profit or profit ordered to be distributed by the General Meeting. Dividends shall be paid to the shareholders that are listed in the register of shareholders at the date of the shareholder identification relating to dividend payment announced by the Company. Dividends may be paid in the form of non-cash consideration as well. Shareholders shall be entitled to receive dividends based on the capital contributions they have already paid up.

The Company shall pay dividend to the shareholders by way of bank transfer as of the date specified by the relevant resolution of the General Meeting. The dividend payment period shall commence on the date determined in the resolution of the General Meeting on the approval of the annual financial statement prepared in accordance with the Accounting Act and the utilization of after tax profit, but at least ten business days shall expire between the date of the first appearance of the notice of the resolution of the General Meeting on the amount of dividend to be paid and the date of commencement of dividend payment and the date of commencement of the distribution of dividend.

Shareholders who control at least 1% of the voting rights are entitled to exercise minority rights in the Company.

The detailed rules for the exercise of the shareholders' rights are set out in the Articles of Association: www.waberers.com/en/investors/policies.

12. General overview of the rules on the method of convening and conducting the General Meeting

The Government of Hungary imposed different provisions for the General Meeting from the general provisions due to the epidemiology in 2020 for the first time. According to the general provisions the supreme body of the Company is the General Meeting and Shareholders are entitled to exercise their rights at the General Meeting in person or through a proxy. Only those shareholders or shareholder proxies (nominees) may attend the General Meeting who were entered into the register of shareholders no later than on the second business day preceding the date of the General Meeting.

The invitation to the General Meeting shall be published at the places of publication specified in the Articles of Association at least thirty days prior to the first day date of the General Meeting. The General Meeting shall have a quorum if it was convened in accordance with the relevant rules and regulations, and if the shareholders representing more than 40% of the shares with voting rights are present. If the General Meeting fails to have a quorum within 1 (one) hour from the time designated for commencement thereof, the Chairman of the General Meeting shall announce the date of the reconvened General Meeting as set out in the invitation to the General Meeting. The reconvened General Meeting may be called for a date following the date of the original General Meeting by not less than at least 10 (ten) days and not more than 21 (twenty-one) days. The reconvened General

Meeting may be held at the same venue or at any other venue specified in the invitation to the General Meeting. The reconvened General Meeting shall have a quorum for the issues of the original agenda irrespective of the ratio of voting rights represented by those present.

The General Meeting adopts its resolutions by a simple majority of the votes considered upon the establishment of a quorum, except for the matters indicated by the law and listed in the Articles of Association, in respect of which the General Meeting adopts its resolutions by at least three-quarters majority of the votes. Each share having a nominal value of EUR 0.35 represents one vote. Each shareholder may vote only in one way.

The detailed rules to convene and conduct the General Meeting are included in the Articles of Association: www.waberers.com/en/policies.

13. An overview of the Company's publication policy and its insider trading policy

Waberer's publication practices should comply with various EU-level, national, and BSE regulations.² These regulations were all taken into account when constructing and adopting the Company's Disclosure Policy and Insider Trading Policy.

In line with these policies, the publication process is covered by the following general guidelines:

- As a general rule, all relevant and material information significant enough to be capable of influencing the share price of the Company should be disclosed as soon as possible.
- To be able to continuously inform the public of Waberer's significant events, the Chief Executive Officer, the Chief Financial Officer, Investor Relations Officer and the Chief Legal and Compliance Officer of the Company shall verify the significance of events.
- Ultimately, the Investor Relations Officer is responsible for the preparation and timely execution of the Company's disclosure obligations.
- The Company's publications are primarily electronic, online publications. The disclosure policy covers the detailed procedures for electronic publications. All public disclosures can be accessed at the Company's official website (www.waberers.com).
- The Company disclose to the public essential details on a regular basis of its business activity, financial position and the general course of its business in the quarterly financial reports. A description of the Company's strategic goals are included in the annual report. In the internal regulation the Company established a method to assess the significance of events in order to inform the shareholders continuously about the events or transactions evaluated to be important. The management assess the efficiency of the publication processes and publish its findings in the Corporate Governance Report once a year.
- Principles of the selection and appointment of the members of the governing and management bodies are included in the Rules of Procedures of the Nomination and Remuneration Committee. The compensation and remuneration principles applicable to the members of the management and the governing bodies as well as the aspects considered to assess their activities are presented in the Remuneration Declaration. Information regarding the number of shares owned by the members of the Board of Directors, the Supervisory Board and management members also the extent of their

² These include: Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, Act CXX of 2001 on the Capital Market, Decree no. 24/2008. (VIII. 15) of the Minister of Finance on extraordinary information Regulations on Listing and Continued Trading of the Budapest Stock Exchange, Regulation on Official Publications of the Budapest Stock Exchange

participation in share-based remuneration schemes summarized and published in the Remuneration Policy incorporated in the Company's Corporate Governance Report.

- The Company publishes in its annual report and on the Company website career information about the members of the Board of Directors, the Supervisory Board and the management (e.g. independence, special expertise, other professional functions). The composition, the tasks, the scope of authorities and the operational rules of the corporate bodies are accessible for the shareholders on the website of the Company.
- The Board of Directors developed internal policy and procedures for the flow of information and the management of insider information within the Company, and monitor compliance with them. The policy sets out the limitations for persons discharging managerial responsibilities and persons closely associated with them regarding the trading of the Company's shares. The Company has published on its official website the guidelines on the prohibition of insider trading with regard to the Company's shares.
- Prior to the relevant business year the Company publishes the so called 'company event calendar', informing market players about the expected release dates of the Company's important regular disclosures (e.g. financial reports) and of foreseeable major events (e.g. the proposed date of General Meeting).
- The Company discloses its Corporate Governance Report annually. The report contains the corporate governance practices, the description of the corporate governance system and relevant information on employees and other stakeholders in the given business year. The actual ownership structure of the Company is presented to the investors on the official website.
- Risk factors that the Group faces when conducting its business and to be considered are laid down in the Risk management guidelines. The Board of Directors publish the Risk management guidelines incorporated into the Corporate Governance Report, reassuring shareholders that all risks of essential internal and external operations, financial and legal compliance and other risks are continuously assessed, therefore, these risks are adequately managed by the corporate bodies. The information should cover the system of internal control activities, the risk management principles and fundamental rules applied and give a comprehensive overview of the key risks.
- The public is informed about the Group's business ethics as well as the corporate social responsibility activities and some other policies regarding other stakeholders.
- The Company takes into consideration the confidentiality of secrets protected under business and other confidentiality laws in its disclosures during publishing information on the relationship that Board of Directors, Supervisory Board and management members may have with third parties and could affect the operation of the Company.

The Company prepares and publishes its disclosures in Hungarian and in English. In the event of discrepancies between information provided in the two languages the Hungarian version shall prevail.

The Board of Directors reviewed the efficiency of the publication process in the Company for the respective period. In the opinion of the Board of Directors, the publication processes are adequate to ensure that the Company's disclosures are in line with the applicable regulations.

14. Remuneration declaration

Remuneration of the members of the governing/supervisory bodies and the Management.

- a) Remuneration and social and other benefits provided to the members of the Board of Directors:

Pursuant to the respective resolution of the General Meeting the chairman of the Board of Directors may receive a maximum benefit of EUR 100,000 (net) per year, while members of the Board of Directors may receive benefits to the maximum value of EUR 50,000 (net) per year from the Company under a separate mandate agreement concluded with them for holding that office.

Of the members of the Board Directors, in 2020 only Gerard van Kesteren and Péter Lakatos received any remuneration.

- b) Remuneration and social and other benefits provided to the members of the Supervisory Board and other committees:

The Chairman of the Supervisory Board may receive benefit to the maximum value of EUR 15,000 while members of the Supervisory Board may receive remuneration of EUR 10,000 per year. The Chairman of the Audit Committee may receive benefit to the maximum value of EUR 10,000, while the members of the Audit Committee may receive remuneration of EUR 5,000 under the terms of the mandate agreement concluded with them. The Chairman of the Nomination and Remuneration Committee may receive benefit to the maximum value of EUR 10,000 while members may receive EUR 5,000 per year.

Report on the remuneration of governing and supervising bodies in 2020			
	Remuneration/Salary (HUF)	Cost recovery (EUR and HUF)	Daily allowance (HUF)
Board of Directors	43,807,367	9,207 EUR 118,271 HUF	0
Supervisory Board	16,949,759	0	0
Audit Committee	5,215,888	0	0
Nomination and Remuneration Committee	5,223,194	0	0

- c) Remuneration, social and other benefits provided to the Key Management:

Elements of the remuneration package of members of the Key Management in 2020:

- monthly salary and bonus that is determined by the Board of Directors based on the proposal of the Nomination and Remuneration Committee;
- variable cost elements: daily allowance for abroad, company car and mobile phone usage according to their employment contract and internal regulations, for non-resident employees support for living and travelling home.
-

Report on the remuneration of Key Management in 2020			
	Monthly salary (HUF/year/all employee)	Cost reimbursement and costs of travelling home HUF/year/eligible employees)	Daily allowance (HUF/year/eligible employees)
Waberer's CEO*, CFO, COO, managing director of Waberer's- Szemerey Kft., CEO of Wáberer Hungária Zrt., CEO of LINK sp.z.o.o.	471,079,982	8,458,716	0

*including the amount paid for the former CEO under these titles

CORPORATE GOVERNANCE STATEMENT OF THE COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS

Level of compliance with the Recommendations

1.1.1. Does the Company have an organisational unit dealing with investor relationship management, or a designated person to perform these tasks?

Yes

No

Explanation:

1.1.2. Are the Company's Articles of Association available on the Company's website?

Yes

No

Explanation:

1.1.4. If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents?

Yes

No

Explanation:

1.2.1. Did the Company publish on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders?

Yes

No

Explanation:

1.2.2. Did the Company publish the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded?

Yes

No

Explanation:

1.2.3. Did the Company hold its General Meetings in a manner providing for maximum shareholder participation?

Yes

No

Explanation:

1.2.6. The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting. (Answer Yes, if not)

Yes

No

Explanation:

1.2.7. For proposals for the agenda items, were the Board of Directors' draft resolution and also the Supervisory Board's opinion disclosed to the shareholders?

Yes

No

Explanation:

1.3.3. The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended. (Answer Yes, if not)

Yes

No

Explanation:

1.3.4. By answering the questions raised at the General Meeting, did the Company ensure compliance with the information provision and disclosure principles set out in legal and stock exchange requirements?

Yes

No

Explanation:

1.3.5. Did the Company publish on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers?

Yes

No

Explanation:

1.3.7. Did the Chairman of the General Meeting order a recess or suggest that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting?

Yes

No

Explanation:

1.3.8.1. The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members. (Answer Yes, if not)

Yes

No

Explanation:

1.3.8.2. For executive officers or Supervisory Board members, whose nominations were supported by shareholders, did the Company disclose the identity of the supporting shareholder(s)?

Yes

No

Explanation:

1.3.9. Prior to discussing agenda items concerning the amendment of the Articles of Association, did the General Meeting pass a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way?

Yes

No

Explanation:

1.3.10. Did the Company publish the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting?

Yes

No

Explanation:

Questions under Chapter 1.5. have been repealed ³

1.6.1.1. Do the Company's publication guidelines cover the procedures for electronic, online disclosure?

Yes

No

Explanation:

1.6.1.2. Does the Company design its website by considering the aspects of disclosure and the information of investors?

Yes

No

Explanation:

1.6.2.1. Does the Company have an internal publication policy in place which covers the processing the information listed in Section 1.6.2 of the Recommendations document?

Yes

No

Explanation:

1.6.2.2. Do the internal regulations of the Company cover the methods for the assessment of events judged to be important for publication?

Yes

No

Explanation:

³ During the review of the recommendations in 2020, the Corporate Governance Committee repealed the recommendations in Chapter 1.5 and Section 1.6.7 on remuneration, and amended Sections 1.6.2, 1.6.9 and 2.2.2 and Annex 1. accordingly as the remuneration guidelines are laid down in Act LXVII of 2019 on the promotion of long-term shareholder participation and the amendment of certain laws for the purpose of legal harmonization from July 2019.

1.6.2.3. Did the Board of Directors/Governing Board assess the efficiency of the publication processes?

Yes

No

Explanation:

1.6.2.4. Did the Company publish the findings of the efficiency assessment of the publication process?

Yes

No

Explanation:

1.6.3. Did the Company publish its annual company event calendar?

Yes

No

Explanation:

1.6.4. Did the Company publish its strategy, business ethics and policies regarding other stakeholders?

Yes

No

Explanation:

1.6.5. Did the Company publish the career information of Board of Directors / Governing Board, Supervisory Board and management members in its annual report or on the company website?

Yes

No

Explanation:

1.6.6. Did the Company publish all relevant information about the internal organisation and the operation of the Board of Directors / Governing Board and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year?

Yes

No

Explanation:

Questions under Section 1.6.7.1-2. have been repealed ⁴

1.6.8. Did the Company publish its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management?

Yes

No

Explanation:

1.6.9.1. Did the Company publish its guidelines relating to the trading of its shares by insiders?

⁴ Please refer to footnote of Section 1.5.

Yes

No

Explanation:

1.6.9.2. Did the Company disclose the share of the Board of Directors / Governing Board, Supervisory Board and management members in the securities issued by the Company⁵, as well as the extent of their interest under the equity-based incentive system in the annual report or in some other way?

Yes

No

Explanation:

1.6.10. Did the Company publish the relationship of Board of Directors / Governing Board, Supervisory Board and management members may have with third parties which could affect the operation of the Company?

Yes

No

Explanation:

2.1.1. Does the Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors / Governing Board?

Yes

No

Explanation:

2.2.1. Does the Board of Directors / Governing Board have a rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings, and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors / Governing Board?

Yes

No

Explanation:

2.2.2. Does the Company publish the procedure used for nominating⁶ Board of Directors / Governing Board members and the principles for determining their remuneration?

Yes

No

Explanation:

2.3.1. Does the Supervisory Board provide a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan?

Yes

No

Explanation:

⁵ Please refer to footnote of Section 1.5.

⁶ Please refer to footnote of Section 1.5.

2.4.1.1. Did the Board of Directors / Governing Board and the Supervisory Board hold meetings periodically at a predefined interval?

Yes

No

Explanation:

2.4.1.2. Did the rules of procedure of the Board of Directors / Governing Board and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision making using electronic telecommunications means?

Yes

No

Explanation:

2.4.2.1. Did board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting?

Yes

No

Explanation: Occasionally within the rescheduled timetable due to the pandemic, the board members received the pre-reading material less than five working days prior to the meeting.

2.4.2.2. Did the Company arrange the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors / Governing Board and the Supervisory Board?

Yes

No

Explanation:

2.4.3. Do the rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings?

Yes

No

Explanation:

2.5.1. Were the members of the Board of Directors / Governing Board and the Supervisory Board nominated and elected in a transparent process, and was the information about the candidates made public in due time before the General Meeting?

Yes

No

Explanation:

2.5.2. Does the composition and size of the boards comply with the principles set out in Section 2.5.2 of the Recommendations?

Yes

No

Explanation:

2.5.3. Did the Company ensure that the newly elected Board of Directors / Governing Board and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards?

Yes

No

Explanation:

2.6.1. Did the Governing Board / Supervisory Board request (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals?

Yes

No

Explanation:

2.6.2. Does the Company provide information about the tools which ensure that the Board of Directors / Governing Board assesses objectively the management's activities?

Yes

No

Explanation:

2.6.3. Did the Company publish its guidelines concerning the independence of its Governing Board / Supervisory Board members and the applied independence criteria on its website?

Yes

No

Explanation:

2.6.4. Does the Supervisory Board of the Company have any member who has held any position in the Board of Directors or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation?

Yes

No

Explanation:

2.7.1. Did members of the Board of Directors / Governing Board inform the Board of Directors / Governing Board and (if applicable) the Supervisory Board (or the Audit Committee if a uniform governance system is in place) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence?

Yes

No

Explanation:

2.7.2. Were transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were they approved?

Yes

No

Explanation:

2.7.3. Did board members inform the Supervisory Board / Audit Committee (Nominating

Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group?

Yes

No

Explanation:

2.7.4. Did the Board of Directors / Governing Board develop guidelines for the flow of information and the management of insider information within the Company, and monitor compliance with them?

Yes

No

Explanation:

2.8.1. Did the Company create an independent internal audit function that reports directly to the Audit Committee / Supervisory Board?

Yes

No

Explanation:

2.8.2. Does Internal Audit have unrestricted access to all information necessary for carrying out audits?

Yes

No

Explanation:

2.8.3. Did shareholders receive information about the operation of the system of internal controls?

Yes

No

Explanation:

2.8.4. Does the Company have a function ensuring compliance (compliance function)?

Yes

No

Explanation:

2.8.5.1. Is the Board of Directors / Governing Board or a committee operated by it responsible for the supervision and management of the entire risk management of the Company?

Yes

No

Explanation:

2.8.5.2. Did the relevant organisation of the Company and the General Meeting received information about the efficiency of the risk management procedures?

Yes

No

Explanation:

2.8.6. With the involvement of the relevant areas, did the Board of Directors / Governing Board develop the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company?

Yes

No

Explanation:

2.8.7. Did the Board of Directors / Governing Board define the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives?

Yes

No

Explanation:

2.8.8. Did internal control systems functions report about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year?

Yes

No

Explanation: The managers of the organisational units are responsible for establishing and monitoring the internal control system functions of their own unit, which is overseen by the Internal Audit Department.

2.9.2. Did the Board of Directors / Governing Board invite the Company's auditor in an advisory capacity to the meetings on financial reports?

Yes

No

Explanation:

Level of compliance with the Proposals

1.1.3. Does the Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person?

Yes

No

(Explanation:)

1.2.4. Did the Company determine the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account?

Yes

No

(Explanation:)

1.2.5. Does the voting procedure used by the Company ensure a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results?

Yes

No

(Explanation:)

1.3.1.1. Were the Board of Directors/Governing Board and the Supervisory Board represented at the General Meeting?

Yes

No

(Explanation:)

1.3.1.2. In the event the Board of Directors/Governing Board and the Supervisory Board was absent, was it disclosed by the Chairman of the General Meeting before discussion of the agenda began?

Yes

No

(Explanation:)

1.3.2.1. The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors/Governing Board and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions.(Answer Yes, if not)

Yes

No

(Explanation:)

1.3.2.2. The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there. (Answer Yes, if not)

Yes

No

(Explanation:)

1.3.6. Does the annual report of the Company prepared as specified in the Accounting Act contain a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation?

Yes

No

(Explanation:)

1.4.1. In line with Section 1.4.1, did the Company pay dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents?

Yes

No

(Explanation:)

1.6.11. Did the Company publish its information in English as well, in line with the provisions of Section 1.6.11?

Yes

No

(Explanation:)

1.6.12. Did the Company inform its investors about its operation, financial situation and assets on a regular basis, but at least quarterly?

Yes

No

(Explanation:)

2.9.1. Does the Company have in place internal procedures regarding the use of external advisors and outsourced activities?

Yes

No

Explanation: The Procurement Policy of the Company does not impose a certain internal procedure regarding the use of external advisors, however the mentioned services belong to the normal procurement, which are conducted as part of a transparent process, monitored annually by the Internal Audit Department.

5. GRANTING WAIVER FROM LIABILITY TO MEMBERS OF THE BOARD OF DIRECTORS

According to Clause 3:117 (1) of Act V of 2013 on the Civil Code the general meeting of the Company shall provide a waiver from liability to the executive officers upon their request relating to their activity in the previous business year. By way of granting such a waiver the general meeting attesting that the members of the Board of Directors were acting in his/her managerial function as per the interests of the Company.

In line with the provisions of Section 5.9.1 l) of the Articles of Association of the Company granting a waiver is within the exclusive competence of the general meeting.

This decision may be made by the Board of Directors within the competence of the General Meeting pursuant to the decree of the Government of Hungary, ie. 502/2020. (XI. 16.) Government Decree, which introduced the different, special general meeting regulations for the period of the epidemiological emergency (COVID-19).

The resolution proposal to the General Meeting is the following:

AGM Resolution 4/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby ascertains the appropriateness of the management activities of the Board of Directors members of the Company in the previous business year and decides to grant the waiver from liability according to Clause 3:117 (1) of Act V of 2013 on the Civil Code to the members of the Board of Directors of the Company with respect to the business year 2019 and 2020. By granting the waiver from liability, the General Meeting confirms that the members of the Board of Directors have performed the management of the Company by giving primacy to the interests of the Company.

Relevant part of the report of the Supervisory Board:

The Supervisory Board continuously monitored the management activities of the Board of Directors in the business year 2019 and 2020 and fully agrees with the resolution proposal of the General Meeting on the granting waiver from liability to the members.

6. ADVISORY VOTE ON THE UNIFIED TEXT OF THE AMENDED REMUNERATION POLICY OF WABERER'S GROUP

Pursuant to Clause 3:268 (2) of Act V of 2013 on the Civil Code, the general meeting shall have exclusive jurisdiction to put the remuneration policy to an advisory vote, accordingly the Board of Directors submits a summary to the general meeting on the principles of the remuneration and compensation of members of the corporate bodies and the management, as well as the considerations behind the assessment of the work of the individual members. Pursuant to the advisory vote of the general meeting on the remuneration policy, the remuneration policy shall be disclosed on the website of the Company without delay, including the date and the result of the vote. Significant amendments to the remuneration policy, but at least every four years the remuneration policy shall be put on the agenda of the general meeting and submitted to an advisory vote. The remuneration policy shall be accessible without a fee at least while it is in effect.

In accordance with the effective regulations and the Corporate Governance Recommendations (FTA) of the Budapest Stock Exchange (BSE), and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors worded the Remuneration Policy of the Group, which was approved by the General Meeting with the effective date of 30 April 2020.

In view of the proposed resolutions submitted to the present General Meeting to change the remuneration of the members of the committee members, and the changes in the personnel of the key employees and thus the scope of authority of the Remuneration Policy, the Board of Directors - in agreement with the Nomination and Remuneration Committee - submits the following resolution proposal to the General Meeting:

AGM Resolution 5/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby approves the amended and consolidated text of the Remuneration Policy of WABERER'S Group.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal related to the amendment and the consolidated text of the Remuneration Policy of WABERER'S Group, prepared by the Board of Directors. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

REMUNERATION POLICY OF THE WABERER'S GROUP

Principles of evaluation and long-term remuneration / incentive system of work of the members of governing and controlling bodies and the management

A/ Purpose of the Remuneration Policy

The purpose of this Remuneration Policy is to recognise the performance of the members of the managing and controlling bodies of the Company in the achievement of the results of the Company and the Group and to encourage those individuals to achieve further objectives. The Remuneration Policy contributes to carry out the Company's business strategy, long-term interests and sustainability goals, focusing on the tasks and degree of responsibilities of the individuals concerned, the economic and financial status of the Company as well as the Hungarian and international market benchmarks.

B/ Scope of the Remuneration Policy

The scope of this Remuneration Policy covers the members and chairman of the governing, controlling and opinion forming bodies of the Company as well as the key employees of the Company in compliance with the rules and power laid down in Rules of Procedure of the Board of Directors and the Nomination and Remuneration Committee of the Company. The Remuneration Policy determines the principles of evaluation of the individuals concerned as well as lay down a framework of regulations for the remuneration.

The Remuneration Policy is submitted to the General Meeting by the Board of Directors to an advisory vote based on the opinion of the Nomination and Remuneration Committee and the Supervisory Board. The Remuneration Policy is effective from the date when it has been adopted by the General Meeting of the Company and remain in effect until revoked or amended.

The Company may pay any remuneration for the persons falling within the scope of the Remuneration Policy only on the basis of the Remuneration Policy submitted to the General Meeting to an advisory vote. If the General Meeting refuses the Remuneration Policy, then the Company shall submit the revised Remuneration Policy to the next General Meeting for the purpose of another advisory vote.

C/ The Remuneration Policy

1. Evaluation of the work of the governing and controlling bodies of the Company and criteria used in relation to their remuneration

The members of the governing and controlling bodies of the Company evaluate their work each year in a multi-level evaluation framework. First the members complete a self-evaluation questionnaire where, in addition to answering questions about professional aptitude, experience and handling of conflict of interest, they can also explain, in the form of free text, how they were able to support the activities of the governing/controlling bodies and the achievement of the goals of the Company. The completed questionnaires are reviewed by the Nomination and Remuneration Committee which then performs the annual evaluation of the members of the various bodies based on their competencies and the fulfilment of the tasks of the respective body. As a result of the evaluation the Nomination and Remuneration Committee adopts a report and submits it to the Board of Directors.

The members of the governing and controlling bodies receive a fixed fee in that role and do not receive any performance-based remuneration. The amount of the fix fee and its upper limit are approved by the General Meeting. The amount of the fee is defined on the basis of

Hungarian and international market benchmarks, ensuring that it is in line with the tasks of the members, the degree of responsibility and the financial capacity of the Company. In this respect it should be stressed that the Company always tries to invite nominees with good understanding of the sector and sufficient professional experience when they are requested to become members of various bodies, but in that process they usually compete with international market operators and the remuneration must also be established accordingly.

2. Items of the remuneration

2.1 Remuneration of the Members of the Board of Directors

According to the submission of the General Meeting as of 19 April 2021, the Chairman and the members of the newly established Board of Directors shall not receive any remuneration for their activity in the Board of Directors.

2.2 Remuneration of the Members of the Supervisory Board

According to the submission of the General Meeting as of 19 April 2021, the members of the newly established Supervisory Board shall be entitled for a remuneration fee up to the monthly gross amount of HUF 300,000 under the terms and conditions of the agreement to be concluded with them, while the Chairman of the newly established Supervisory Board shall be entitled for a remuneration fee up to the monthly gross amount of HUF 450,000.

2.3 Remuneration of the members of the Audit Committee

According to the submission of the General Meeting as of 19 April 2021, the Chairman of the newly established Audit Committee shall be entitled for a remuneration fee up to the monthly gross amount of HUF 100,000 under the terms and conditions of the agreement to be concluded with him, while members of the newly established Audit Committee shall not receive any remuneration for their activity in the Committee.

2.4. Remuneration of the members of other Committees

According to the submission of the General Meeting as of 19 April 2021, other Committee members shall not be entitled for any remuneration for their activity in the Committee.

3. Evaluation of the work of the management of the Company and the Group, criteria used for their remuneration

3.1. Structure and principles of the remuneration system

The following employees of the Company qualify as Key Employees:

- Chief Executive Officer,*
- Chief Financial Officer as deputy CEO,*
- the International Chief Operational Officer, as deputy CEO.*

The key employees are selected, evaluated and the principles of their remuneration are enforced by the Board of Directors of the Company, requesting the opinion of the Nomination and Remuneration Committee. The Chief Executive Officer of the Company exercises the employer rights over the other employees in managerial positions, but those rights can be further delegated to non-executive employees in form of a CEO order. The Remuneration Policy does not include the remuneration of the managing directors and leading positions of key subsidiaries of the Group.

The remuneration of key employees and other employees in managerial positions consists of base and performance remuneration, the annual paid amount of which is reported with respect to the key management within the Remuneration statement of the Company included in the Corporate Governance Report.

The Company endeavours to employ key management positions with special knowledge in the industry and high professional experience, subsequently it is necessary to consider not only the Hungarian but also international labour market conditions when establishing remuneration and employment conditions, as the Hungarian market may not always be able to provide successors with adequate expertise and proficiency.

The base remuneration has been fixed, therefore it may not depend on the performance of the eligible parties or the discretionary decision of the employer. The rate of the base remuneration and performance remuneration is defined by the Board of Directors on the basis of the function, size and complexity of the governed organisation according to the recommendation of the Nomination and Remuneration Committee. The maximum rate of performance remuneration is 100% of the base remuneration. Employment agreements concluded with the personal mentioned above are of an indefinite duration, supplementary pension and early pension retirement schemes are not included and the employer is entitled to define the notice period between 3-6 months.

The purpose of performance remuneration of the Company and the Group is:

- to improve the financial performance of the Company;
- to put in place conditions for efficient and effective risk management;
- to execute the objectives in connection with the corporate social responsibility;
- to strengthen corporate-level thinking and the activity;
- to support to the management in achieving the corporate objectives (top town breakdown and delegation);
- to give feedback to the employees; and
- with share-based schemes to strengthen the owner's attitude and to help achieve an adequate share in corporate profits.

The performance-based remuneration of employees in managerial positions is established according to target achievement periods that match the financial year, is generally based on 3-5 performance indicators set on the basis of the business plan approved by the Board of Directors for the particular target achievement period. The purpose of the performance indicators is to improve the financial performance of the Company and the Group and to fulfil the requirements of effective and efficient risk management. The evaluation criteria include the performance of the key indicators of the Company and the whole Group (EBIT, net profit, net debt etc.) depending on the impact of the individual colleagues.

Among the employees concerned, the decision-making body may decide to ad-hoc bonuses linked to individualized tasks and guarantee payment of part of the performance remuneration, irrespective of the realization of the indicators (guaranteed bonus). Remuneration used in this way must be agreed in advance and the method of the calculation and the actual payment shall be laid down in a separate agreement.

Among the employees concerned, the employer may decide on the implementation of certain reimbursement elements as detailed in the employment agreements, in particular traveling abroad to home and accommodation in Hungary. The reimbursement paid in this way is taxed according to the applicable legislation. The maximum amount of the reimbursement shall be equal to EUR 40,000 per year.

3.2. Employee Share Ownership Programmes, Share-based Remuneration

3.2.1. Within the framework of performance remuneration the Company measures and evaluates the individual performance of key employees, directors and heads of divisions with a well-structured incentive programme under the group ESOP scheme established pursuant to Act XLIV of 1992 on the Employee Share Ownership Programme (ESOP Act). On the basis of the authorisation granted in the General Meeting Resolution of 15 July 2016, the Board of Directors was nominated to establish the Waberer's Employee Share Ownership Programme Organisation (ESOP Organisation) and to elaborate the various remuneration policies. The Board of Directors of the Company, as the body entitled to make decisions in the name of the founder of the ESOP Organisation, decided on the foundation of the ESOP Organisation and, within the framework of the individual remuneration programme, on the beneficiary employees and the issue of the financial instruments serving the purpose of the programme as well as involvement in the programme on the basis of the above principles. The principles described above and the conditions of the ESOP Act still apply to the performance indicators defined in the ESOP programme.

3.2.2. The Board of Directors applies the share-based remuneration structure to employees in managerial positions also in addition to the ESOP programme described above, typically in foreign subsidiaries the taxation advantages of the programme cannot be enforced and where not all conditions described in the ESOP Act are fulfilled with the remuneration. The purpose of the allocation shares in the manner described above is typically an important event in the history of the Company and Group which entails a significant risk to marinating the continuity of operation and to the future profitable operation of Company and the Group. The management and key employees have a crucial role in managing these risks, and therefore the Board of Directors uses share-based remuneration in order to maintain their motivation and loyalty and strengthen owner's attitude.

3.2.3. The share-based schemes are supplied from the own shares of the Company which are replenished by the Company according to the currently effective authorisation of the General Meeting.

4. Other benefits and social benefits

The members of the governing and controlling bodies do not receive any other benefit. For the key employees and other employees in managerial positions the other benefits are established on the basis of Hungarian benchmarks, focusing on cost efficiency (e.g., vehicle for personal use, mobile phone, managerial insurance medical tests, etc.). The benefits described above are defined in internal regulations of the Company issued for the specific subjects.

Approved by the Board of Directors of WABERER'S INTERNATIONAL Nyilvánosan Működő Részvénytársaság pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting with its resolution no. 5/2021. (IV. 19.).

7. WITHDRAWAL/APPROVAL OF RESIGNATION OF MEMBER(S) OF THE BOARD OF DIRECTORS; ELECTION AND DECISION ON THE REMUNERATION AND CONFLICT OF INTEREST ISSUES OF THE MEMBERS OF THE BOARD OF DIRECTORS

The mandate of Mr. Gerard van Kesteren, Mr. Barna Erdélyi, and Dr. Péter Lakatos shall expire with the date of the Annual General Meeting pursuant to the AGM Resolution 18/2018. (IV.16), while Mr. Alain Beyens has submitted his resignation on 25 March 2021, which shall take effect on the date of the Annual General Meeting.

With the changes in the ownership structure of the company, new members were nominated.

The *Shareholder High Yield Zrt.* has proposed **Mr. György Péter Wáberer** (mother's maiden name: Margit Páles; address: 1055 Budapest, Kossuth Lajos square 18. A staircase 2. floor 2.) to elect as member of the Board of Directors in its shareholder proposal dated 1 April 2021.

The *Shareholder Trevelin Holding Zrt.* has proposed **Mr. András Kovács** (mother's maiden name: Rozália Joó; address: 1026 Budapest, Törökvész lejtő 5/A.) and **Dr. Márk Czéh-Tóth** (mother's maiden name: dr. Ilona Szücs; address: 7624 Pécs, Bárány road 2.) to elect as members of the Board of Directors in its shareholder proposal dated 1 April 2021.

Pursuant to the above the Board of Directors – with the consent of the Nomination and Remuneration Committee – proposes to the General Meeting to elect Mr. György Péter Wáberer, Mr. András Kovács and Dr. Márk Czéh-Tóth as Members of the Board of Directors and to acknowledge the resignation of Mr. Alain Beyens.

7.1. CONFLICT OF INTEREST

Pursuant to Section 3:115.§ of the Hungarian Civil Code the executive officers may not acquire any share in the capital of a business association - except for the shares of public limited companies - and may not be executive officer in a business association which is engaged in the pursuit of the same economic activity, as its main activity, as the business association in which they hold an executive office. According to Section 1.3.2. of the By-laws of the Board of Directors the members of the Board of Directors may not acquire any business share – other than business shares in public companies limited by shares – in the capital of any business association and may not be executive officer in a business association which carries out an activity identical with that of the Company, unless so permitted by the Board in advance. In the event of conflict of interest matters, especially when the member intends to accept a new executive office or acquire shares in a business association which carries out an activity identical with that of the Company, prior to the decision the Board of Directors shall obtain the opinion of the Nomination and Remuneration Committee.

The Board of Directors – together with the Nomination and Remuneration Committee and Supervisory Board – is examining the possible conflict of interest matters regarding all individuals nominated to be member of the Board of Directors from the aspect of the compliance to the relevant legal regulations and the By-laws of the Board of Directors.

Considering the timing of the shareholder proposals and that the Board of Directors contacts the nominees directly with this regard, the investigations have not yet been completed.

The resolution proposal may vary depending on the result of the conflict of interest investigation referred to in the present agenda point, besides based on Section 9. § (2) of the Government Decree 502/2020. the Board of Directors may decide in the matter of the published agenda points differently than the published proposals.

7.2. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS, MANAGING CONFLICT OF INTEREST MATTERS

7.2.1. ELECTION OF MR. GYÖRGY PÉTER WÁBERER AS MEMBER OF THE BOARD OF DIRECTORS

Brief professional biography of the Nominee:

Mr. György Péter Wáberer holds a degree in operational engineering from the Faculty of Transportation, Telecommunications and Engineering of the Széchenyi István University in Győr. He has 35 years of experience in the freight forwarding business. He started his professional career at the Volán companies, subsequently he became the office manager at Volán Tefu. After Mr. Wáberer acquired Volán Tefu, he became the CEO of the company and, as further expansion, the company acquired Hungarocamion Rt., the legal predecessor of WABERER'S INTERNATIONAL Nyrt. He held the position of Chairman - Chief Executive Officer of WABERER'S INTERNATIONAL Nyrt. until the acquisition by Mid Europa Partners in 2016.

According to public corporate records, Mr. György Wáberer holds ownership interest or executive positions in entities engaged in the main activity/activity that the Company is also pursuing, for which reason the Board of Directors approached the candidate.

The resolution proposals to the General Meeting regarding the election of Mr. György Péter Wáberer to member of the Board of Directors and regarding the conflict of interest – subject to the result of the conflict of interest investigation referred to in agenda point 7.1. – are the following:

AGM Resolution 6/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mr. György Péter Wáberer (date of birth: 1 November 1956; mother's maiden name: Margit Páles; address: 1055 Budapest, Kossuth Lajos square 18. A staircase 2. floor 2.) to be member of the Board of Directors of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Board of Directors lasts until the date thereof.

AGM Resolution 7/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby approves that Mr. György Péter Wáberer, in addition to his membership in the Board of Directors has an indirect – influence ensuring qualified majority – ownership in SUPERNOVA INTERTRANS Kft. (registry number: 05-09-029451; seat: 3996 Füzér, Árpád út 2.), and in ACTIVE-LOG Kft. (registry number: 19-09-519527; seat: 8445 Csehbánya, Újtelep út 41.).

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Mr. György Péter Wáberer (mother's maiden name: Margit Páles; address: 1055 Budapest, Kossuth Lajos square 18. A staircase 2. floor 2.) as member of the Board of Directors and subject to the result of the

investigation referred to in agenda point 7.1. agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

In case Mr. György Péter Wáberer shall be elected as member of the Board of Directors of the Company, the rent agreements in force between Waberer's-Szemerey Logisztika Kft. (100% subsidiary of WABERER'S INTERNATIONAL Nyrt.) and *BILK Logisztikai Nyrt.* (a company under the undirect qualified influence of Wáberer György Péter; hereinafter: BILK) shall be considered a related transaction pursuant to Act LXVII of 2019 on the promotion of long-term shareholder participation and the amendment of certain laws for the purpose of legal harmonization and internal policies. Based on the rent agreements, in 2020 WSZL leased an average of 109,332 m² of warehouse space from BILK in connection with its warehouse logistics activities, which is 53.87% of the total warehouse capacity of WSZL and the rent paid in 2020 by WSZL toward BILK with this regard represents 4.03% of WSZL's total cost.

The Board of Directors of the Company manages the material transaction with the member of the Board of Directors as a related party transaction in accordance with the internal regulations and, if required by the relevant legislation, publishes information on the material transaction with the related party on its website.

7.2.2. Election of Mr. András Kovács as Member of the Board of Directors

Brief professional biography of the Nominee:

András Kovács is the sales director of the Indotek Group. He has been working in the real estate business since 2002, with recognized international and multinational corporations, and has managed his own businesses. During his career, he gained significant professional experience in the leasing and sale of domestic and regional commercial, logistics and industrial real estate, as well as in the fields of acquisition, real estate development and consulting. András earned his first degree in economics from IBS-Oxford Brookes University, which he completed with a degree in marketing communications, and then studied law at Pázmány Péter Catholic University. He was a student of the RICS training organized by the Budapest University of Technology.

The resolution proposal to the General Meeting regarding the election of Mr. András Kovács as member of the Board of Directors – subject to the result of the conflict of interest investigation referred to in agenda point 7.1. – is the following:

AGM Resolution 8/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mr. András Kovács (date of birth: 16 November 1975; mother's maiden name: Rozália Joó; address: 1026 Budapest, Törökvész lejtő 5/A.) to be member of the Board of Directors of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Board of Directors lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Mr. András Kovács (mother's maiden name: Rozália Joó; address: 1026 Budapest, Törökvész lejtő 5/A.) as member of the Board of Directors and *subject to the result of the investigation referred to in agenda point 7.1.* agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

7.2.3. ELECTION OF DR. MÁRK CZÉH-TÓTH AS MEMBER OF THE BOARD OF DIRECTORS

Brief professional biography of the Nominee:

Dr. Márk Czéh-Tóth has gained managerial experiences in the field of trade and commercial services, first in the management of companies founded by his family, later in various self-founded companies for the past 15 years. Among the mentioned companies, NEOLIT Kft. active in the field of international and domestic freight transport, and RENAX-CAMION Kft., active in the field of truck trading and repairing services, should be highlighted as relevant professional experience. He studied at the University of Pécs, where he graduated first in law (Law) and then in economics (Finance and Accounting), as well as in technical studies (Civil Engineering) and spent a semester as a student of the Faculty of Law at the University of Tilburg in the Netherlands.

The resolution proposal to the General Meeting regarding the election of Dr. Márk Czéh-Tóth as member of the Board of Directors – subject to the result of the conflict of interest investigation referred to in agenda point 7.1. – is the following:

AGM Resolution 9/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Dr. Márk Czéh-Tóth (date of birth: 3 November, 1984; mother's maiden name: dr. Ilona Szűcs; address: 7624 Pécs, Bárány út 2.) to be member of the Board of Directors of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Board of Directors lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of dr. Márk Czéh-Tóth (mother's maiden name: dr. Ilona Szűcs; address: 7624 Pécs, Bárány út 2.) as member of the Board of Directors and *subject to the result of the investigation referred to in agenda point 7.1.* agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

7.3. *Acknowledgement of the resignation of Mr. Alain Beyens*

The resolution proposal to the General Meeting regarding the resignation of Mr. Alain Beyens – in agreement with the Nomination and Remuneration Committee – is the following:

AGM Resolution 10/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby acknowledges the resignation of Mr. Alain Beyens, which was dated 25 March 2021, and which shall take effect as of today.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal related to the resignation of Alain Henri G. Beyens (mother's maiden name: Fouyn Viviane; address: BE-2000 Antwerpen, Zirkstraat 31.) prepared by the Board of Directors. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

7.4. *REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS*

The resolution proposal to the General Meeting regarding the remuneration of the Members of the Board of Directors – in agreement with the Nomination and Remuneration Committee - is the following:

AGM Resolution 11/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby resolves that the Chairman and members of the Board of Directors – which shall be newly established - shall receive no remuneration from the Company for their activity in the Board.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the remuneration of the members of the Board of Directors and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

8. WITHDRAWAL/APPROVAL OF RESIGNATION OF MEMBER(S) OF THE SUPERVISORY BOARD; ELECTION AND DECISION ON THE REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

The mandate of all the members of the Supervisory Board (David Thompson, Philip Marshall, Gábor Béla Nagy, dr. Zoltán György Bodnár, Sándor Székely and Kazuska Mária Szalainé) shall expire with the date of the Annual General Meeting pursuant to the AGM Resolution 18/2018. (IV.16).

With the changes in the ownership structure of the Company, new Supervisory Board members were nominated.

The Shareholder *Trevelin Holding Zrt.* has proposed **Dr. Norbert Szivek, Dr. Attila Végh and David Thompson** to elect as member of the Supervisory Board in its shareholder proposal dated 1 April 2021.

The Shareholder *MHB Optimum Zrt.* has proposed **Mr. Ferenc Mike** to elect as members of the Supervisory Board in its shareholder proposal dated 6 April 2021.

Parallel to that the Work Council informed the Company that they request Mr. Sándor Székely and Mrs. Kazuska Mária Szalainé to be elected as employee representatives.

8.1. CONFLICT OF INTEREST/INDEPENDENCY TEST

According to Section 1.4.2 of the Rules and Procedures of the Supervisory Board the Members of the Supervisory Board may not acquire any shares in business associations - excluding shares of public limited companies - which pursue as its main activity the same economic activity as the Company, unless the Articles of Association allows it or the General Meeting of the Company gives its consent. Besides, the Members shall comply with the independency provisions imposed in Section 3:287. § of the Civil Code, which shall be applicable based on Section 3:290. § of the Civil Code.

The Board of Directors – together with the Nomination and Remuneration Committee and Supervisory Board – is examining the possible conflict of interest and independency matters regarding all individuals nominated to be new member of the Supervisory Board (Dr. Norbert Szivek, Dr. Attila Végh and Mr. Ferenc Mike) from the aspect of compliance to the relevant legal regulations and the Rules and Procedures of the Supervisory Board. Given the timing of the shareholder proposals the investigations have not yet been completed.

The resolution proposal may vary depending on the result of the conflict of interest/independency investigation referred to in the present agenda point, besides based on Section 9. § (2) of the Government Decree 502/2020. the Board of Directors may decide in the matter of the published agenda points differently than the published proposals.

8.2. ELECTION OF THE MEMBERS OF THE SUPERVISORY BOARD

8.2.1. ELECTION OF DR. NORBERT SZIVEK AS SUPERVISORY BOARD MEMBER

Brief professional biography of the Nominee:

Dr. Norbert Szivek began his legal studies in Germany and completed them in Hungary. He started his career in the administrative field, after which he continued his career at a market-leading real estate investment company, where he worked in the nascent energy business, and later founded his own asset management company.

At the request of the Minister of National Development, he was the CEO of Magyar Nemzeti Vagyonkezelő Zrt. between 2015-2018. He was a member of the Board of Directors of Magyar Villamos Művek Zrt., Panrusgáz Gázkereskedelmi Zrt. and Richter Gedeon Nyrt., and was a member of the Supervisory Board of MOL Plc.

The resolution proposal to the General Meeting regarding the election of Dr. Norbert Szivek as Supervisory Board Member – subject to the result of the investigation referred to in agenda point 8.1. – is the following:

AGM Resolution 12/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Dr. Norbert Szivek (date of birth: 11 April 1975; mother's maiden name: Gabriella Pálincás; address: 1025 Budapest, Gábor Áron street 54/A) to be member of the Supervisory Board of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Supervisory Board lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Dr. Norbert Szivek (mother's maiden name: Gabriella Pálincás; address: 1025 Budapest, Gábor Áron street 54/A) as member of the Supervisory Board and – *subject to the result of the investigation referred to in agenda point 8.1. – agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.*

8.2.2. ELECTION OF DR. ATTILA VÉGH AS SUPERVISORY BOARD MEMBER

Brief professional biography of the Nominee:

Dr. Attila Végh has over 20 years of experience in CEO and Chairman positions at listed and private equity owned pan-European businesses. His executive career includes CEO of Nasdaq-listed Capiro AB, one of Europe's largest hospital groups with 200+ hospitals and clinics in France, Germany, Sweden, Norway and Denmark. He was Group CEO of Penta Hospitals International, one of Europe's fastest growing multi-national health service providers, operating over 70 units in three European countries. Prior to his executive career, he worked in McKinsey & Co. transforming blue-chip global companies in over 15 countries. His education includes PhD from Sorbonne University in Paris, MSc in Management & Economics from Imperial College in London and Corvinus University in Budapest, as well as medical doctor from Semmelweis University.

The resolution proposal to the General Meeting regarding the election of Dr. Attila Végh as Supervisory Board Member – subject to the result of the investigation referred to in agenda point 8.1. – is the following:

AGM Resolution 13/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Dr. Attila Végh (date of birth: 10 January 1976.; mother's maiden name: Gyöngyi Zsédenyi; address: 1223 Budapest, Erdőhegy street 10.) to be member of the Supervisory Board of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Supervisory Board lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Dr. Attila Végh (mother's maiden name: Gyöngyi Zsédenyi; address: 1223 Budapest, Erdőhegy street 10.) as member of the Supervisory Board and – *subject to the result of the investigation referred to in agenda point 8.1. – agrees with it.* The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

8.2.3. ELECTION OF MR. DAVID THOMPSON AS SUPERVISORY BOARD MEMBER

Brief professional biography of the Nominee:

Mr. Thompson was employed by KPMG for 42 years in various positions until 2014 mainly in the field of audit services, including 22 years as a partner in KPMG's Budapest office and 12 years as a member of the Management Board of the Hungarian member firm of KPMG. Mr. Thompson is a member of the Curatorium of the Robert Burns International Foundation, a registered charity in Hungary. Mr. Thompson is member of the Supervisory Board and Chairman of the Audit Committee of the Company since 2018.

The resolution proposal to the General Meeting – with the agreement of the Nomination and Remuneration Committee - regarding the election of Mr. David Thompson as Supervisory Board Member is the following:

AGM Resolution 14/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mr. David William Moffat Thompson (date of birth: 14 February 1950.; mother's maiden name: Vida Fairrie Sloan; address: 1062 Budapest, Andrásy road 92-94. 3. floor 7.) to be member of the Supervisory Board of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Supervisory Board lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Mr. David Thompson (mother's maiden name: Vida Fairrie Sloan; address: 1062 Budapest, Andrásy road 92-94. 3. floor 7.) as member of the Supervisory Board and – *subject to the result of the investigation referred to in agenda point 8.1.* – agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

8.2.4. ELECTION OF MR. FERENC MIKE AS SUPERVISORY BOARD MEMBER

Brief professional biography of the Nominee:

Ferenc Mike has more than 30 years of professional experience in the field of capital investment and financing, as well as in the management of both producer and financial companies. In its investment portfolio, production companies such as Bakony Ipari Kerámia Kft., a manufacturer of industrial ceramics, or Flexmont Kft., a company focusing on assembly technology and automation. Mr. Mike is the owner and managing director of Sonten Pénzügyi és Befektetési Kft. He holds a degree in economics and mechanical engineering from the University of Miskolc.

The resolution proposal to the General Meeting regarding the election of Mr. Ferenc Mike as Supervisory Board Member – subject to the result of the conflict of interest / independency investigation referred to in agenda point 8.1. – is the following:

AGM Resolution 15/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mr. Ferenc Mike (date of birth: 2 November 1967.; mother's maiden name: Erzsébet Jenő; address: 5530 Vésztő, Kossuth Lajos street 38.) to be member of the Supervisory Board of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Supervisory Board lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Mr. Ferenc Mike (mother's maiden name: Erzsébet Jenő; address: 5530 Vésztő, Kossuth Lajos street 38.) as member of the Supervisory Board and – *subject to the result of the conflict of interest / independency investigation referred to in agenda point 8.1. –* agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

8.2.5. ELECTION OF MR. SÁNDOR SZÉKELY AS SUPERVISORY BOARD MEMBER

The Work Council of the Company with its resolution nr. 2021/1 on its meeting held on 11 January 2021 confirmed the delegation of Mr. Sándor Székely as employee representative to the Supervisory Board.

Brief professional biography of the Nominee:

Mr. Székely has been member of the Supervisory Board since 1999 (started in the predecessor Company) as an employee representative. He is currently working for the company as the president of the European Trade Union of Cargo Carriers. He holds several positions in different trade unions, for instance he is co-president of the National Federation of Transportation Trade Unions, member of the board of the Association of the Hungarian Trade Unions, elected member of the Public Freight Forwarding Section Committee at the European Transport Workers Federation. He started his professional career at Hungarocamion and was assessor at Budapest Court of Public Administration and Labour. Mr Székely has an automotive technology degree from Ihász Dániel High School of Automobile Technicians. The Supervisory Board member holds 348 pieces of ordinary shares.

The resolution proposal to the General Meeting regarding the election of Mr. Sándor Székely as Supervisory Board Member – in agreement with the Nomination and Remuneration Committee – is the following:

AGM Resolution 16/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mr. Sándor Székely (date of birth: 15 February 1960.; mother's maiden name: Margit Kelemen; address: 1041 Budapest, Erzsébet sreet 39. 3. floor 13.) to be member of the Supervisory Board of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Supervisory Board lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Mr. Sándor Székely (mother's maiden name: Margit Kelemen; address: 1041 Budapest, Erzsébet sreet 39. 3. floor 13) as member of the Supervisory Board and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

8.2.6. Election of Mrs. Kazuska Mária Szalainé as Supervisory Board Member

The Works Council of the Company with its resolution nr. 2021/1 on its meeting held on 11 January 2021 confirmed the delegation of Mrs. Kazuska Mária Szalainé as employee representative to the Supervisory Board.

Brief professional biography of the Nominee.

Mrs. Kazuska has been member of the Supervisory Board since 2017 as an employee representative. She is currently working for the company as financial officer of Trade Union of Cargo Carriers. Previously she was employed by Hungarocamion Rt., SZK-Ker Bt., Hungaro-Flott Kft. She started her professional career as statistician at Malév airline. She holds a graduation from Teleki Blanka High School of Economics. The Supervisory Board member holds 692 pieces of ordinary shares.

The resolution proposal to the General Meeting regarding the election of Mrs. Kazuska Mária Szalainé as Supervisory Board Member – in agreement with the Nomination and Remuneration Committee – is the following:

AGM Resolution 17/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mrs. Kazuska Mária Szalainé (date of birth: 10 May 1963,;mother's maiden name: Erzsébet Sárközi; address: 2360 Gyál, Bocskai street 6. 1.) to be member of the Supervisory Board of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Supervisory Board lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of Mrs. Kazuska Mária Szalainé (mother's maiden name: Erzsébet Sárközi; address: 2360 Gyál, Bocskai street 6. 1.) as member of the Supervisory Board and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

8.3. REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

The resolution proposal to the General Meeting regarding the remuneration of the Members of the Supervisory Board – in agreement with the Nomination and Remuneration Committee – is the following:

AGM Resolution 18/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby resolves that the Company shall pay remuneration up to a monthly gross amount of HUF 300,000 to the Members of the newly established Supervisory Board, and up to a monthly gross amount of HUF 450,000 to the Chairman of the newly established Supervisory Board.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the remuneration of the Members of the Supervisory Board and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

9. WITHDRAWAL/APPROVAL OF RESIGNATION OF MEMBER(S) OF THE AUDIT COMMITTEE; ELECTION AND DECISION ON THE REMUNERATION OF THE MEMBERS OF THE AUDIT COMMITTEE

The mandate of the members of the Audit Committee shall expire by the expiration of their mandate in the Supervisory Board (i.e. date of the General Meeting).

The Board of Directors with regard to the recommendations of the Nomination and Remuneration Committee proposes to the General Meeting to elect the following persons as Audit Committee Members:

- Mr. David Thompson
- Dr. Norbert Szivek
- Mr. Ferenc Mike.

The professional biography of the Nominees have been presented at the nomination for the Supervisory Board Member.

9.1. ELECTION OF THE MEMBERS OF THE AUDIT COMMITTEE

9.1.1. ELECTION OF MR. DAVID THOMPSON AS MEMBER OF THE AUDIT COMMITTEE

The resolution proposal - prepared by the Board of Directors - to the General Meeting regarding the election of Mr. David Thompson as Audit Committee Member – subject to the nominee's election as member of the Supervisory Board - is the following:

AGM Resolution 19/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects David William Moffat Thompson urat (date of birth: 14 February 1950.; mother's maiden name: Vida Fairrie Sloan; address: 1062 Budapest, Andrassy road 92-94. 3. floor 7.) to be member of the Audit Committee of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Audit Committee lasts until the date thereof.

9.1.2. ELECTION OF DR. NORBERT SZIVEK AS MEMBER OF THE AUDIT COMMITTEE

The resolution proposal - prepared by the Board of Directors - to the General Meeting regarding the election of Dr. Norbert Szivek as Audit Committee Member – subject to the nominee's election as member of the Supervisory Board - is the following:

AGM Resolution 20/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Dr. Norbert Szivek (date of birth: 11 April 1975; mother's maiden name: Gabriella Pálkás; address: 1025 Budapest, Gábor Áron utca 54/A) to be member of the Audit Committee of WABERER'S INTERNATIONAL Nyrt. for a definite period

from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Audit Committee lasts until the date thereof.

9.1.3. *ELECTION OF MR. FERENC MIKE AS MEMBER OF THE AUDIT COMMITTEE*

The resolution proposal - prepared by the Board of Directors - to the General Meeting regarding the election of Mr. Ferenc Mike as Audit Committee Member – subject to the nominee's election as member of the Supervisory Board - is the following:

AGM Resolution 21/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby elects Mr. Ferenc Mike (date of birth: 2 November 1967.; mother's maiden name: Erzsébet Jenő; address: 5530 Vésztő, Kossuth Lajos street 38.) to be member of the Audit Committee of WABERER'S INTERNATIONAL Nyrt. for a definite period from 20 April 2021 to 31 May 2024. Provided that the Annual General Meeting in that year is held prior to 31 May than the assignment of the member of the Audit Committee lasts until the date thereof.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the election of the members of the Audit Committee and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment, with the prerequisite of the Nominees being elected as Supervisory Board Members.

9.2. REMUNERATION OF THE MEMBERS OF THE AUDIT COMMITTEE

The Board of Directors with the agreement of the Nomination and Remuneration Committee submits the following resolution proposal to the General Meeting regarding the remuneration of the Members of the Audit Committee:

AGM Resolution 22/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby resolves that the Company shall pay remuneration fee up to a monthly gross amount of HUF 100,000 to the Chairman of the newly established Audit Committee, while the members of the Audit Committee shall not be entitled for a remuneration for their activity in the newly established Audit Committee.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the remuneration of the Members of the Audit Committee and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

10. ELECTION AND DECISION ON THE REMUNERATION OF THE MEMBERS OF OTHER COMMITTEES OPERATING AT THE COMPANY

The Company currently operates exclusively the Nomination and Remuneration Committee. The Nomination and Remuneration Committee assists the Board of Directors in the selection, evaluation determining the elements of their remuneration and in managing conflicts of interest issues of the members of the management, the corporate bodies and the Key Employees. According to the decision of the Annual General Meeting held on 16 April 2018, its members received an annual remuneration fee of EUR 5,000 per year, while the Chairman received an annual remuneration fee of EUR 10,000.

The Board of Directors with the agreement of the Nomination and Remuneration Committee submits the following resolution proposal to the General Meeting:

AGM Resolution 23/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby resolves members of the Board of Directors, Supervisory Board and Audit Committee shall not be entitled for a separate remuneration for any Committee to be established.

Relevant part of the report of the Supervisory Board:

The Supervisory Board reviewed in its merit the submission and the resolution proposal prepared by the Board of Directors related to the remuneration of the members for their activity in other committees operating at the company and fully agrees with it. The Supervisory Board proposes to the General Meeting to adopt the resolution proposal without any amendment.

11. ELECTION AND DETERMINATION OF THE REMUNERATION OF THE COMPANY'S STATUTORY AUDITOR, AND DETERMINATION OF THE CONTENT OF THE SUBSTANTIAL ELEMENTS OF THE CONTRACT TO BE CONCLUDED WITH THE STATUTORY AUDITOR

The Board of Directors in agreement with the Supervisory Board and the Audit Committee proposes to the General Meeting to elect Ernst & Young Könyvvizsgáló Kft. as Statutory Auditor of the Company for the business year of 2021. In relation to the election the Board of Directors proposes the contents of the material elements of the contract to be concluded with the Statutory Auditor to be determined with the following content:

Scope of the contract:

The audits of the Standalone Annual Report and the Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) for the business year of 2021 and executing other compulsory auditor services described in Act LXVII of 2019 on the promotion of long-term shareholder participation and the amendment of certain laws for the purpose of legal harmonization and other legal regulations.

Billing and payment:

The Board of Directors proposes 94,000 EUR (net) to be the Statutory Auditor's annual compensation for the business year of 2021, the fee of the Auditor shall be paid in instalments pursuant to the schedule of the contract and in line with the relevant VAT regulations.

Duration of the contract:

The contract is for the period ending June 30, 2022 or if the Annual General Meeting closing the 2021 business year will be held prior to June 30, 2022 then on the date thereof.

The Board of Directors in agreement with the Supervisory Board submits the following resolution proposal to the General Meeting:

AGM Resolution 24/2021. (IV. 19.)

The General Meeting hereby re-elects the Statutory Auditor of the Company Ernst & Young Könyvvizsgáló Kft. (registered seat: 1132 Budapest, Váci út 20.; company registration number: Cg. 01-09-267553; registration number: 001165) for one year to perform audit services for the business years 2021 in accordance with the submission for the period ending June 30, 2022 or if the Annual General Meeting closing the 2021 business year will be held prior to June 30, 2022 then on the date thereof.

The auditor appointed by the Statutory Auditor and personally responsible for the audit: Tamás Lelkes

Chamber membership number: 007349

Address: 1161 Budapest, Baross street 152. 2.a.

Mother's maiden name: Erzsébet Csató

The General Meeting approves 94,000 EUR (net) to be the Statutory Auditor's annual compensation to perform audit services for the business year of 2021, covering the audits of the Standalone Financial Statements and the Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS).

The General Meeting approves the contents of the material elements of the contract to be concluded with the Statutory Auditor according to the submission.

Relevant part of the report of the Supervisory Board:

The Supervisory Board in agreement with the Audit Committee agrees with the proposals of the Board of Directors for the election of the Statutory Auditor of the Company, the establishment of its remuneration and the determination of the contents of the material components of the contract to be concluded with the Statutory Auditor, and recommends that the General Meeting approve them.

12. AUTHORIZATION FOR THE BOARD OF DIRECTORS TO ACQUIRE THE ORDINARY SHARES OF WABERER'S

The General Meeting's authorization for the Board of Directors for the acquisition of own shares has expired on the date of 16 October 2019, therefore a new authorization became necessary. The Board of Directors proposes to the General Meeting to accept the resolution proposal below:

AGM Resolution 25/2021. (IV. 19.)

The Board of Directors pursuant to the Government Decree 502/2020. (XI. 16.) acting in the capacity of the General Meeting hereby authorizes the Board of Directors, to acquire the shares issued by the Company for the Company. The General Meeting defines the conditions referred to in Section 3:223. § (1) of the Civil code as follows:

Type of shares obtainable: registered, dematerialized "A" series ordinary shares.

The purpose of the acquisition of treasury shares: The operation of share-based incentive programs to be introduced by the Company, ensuring the equity needs of the transactions to be performed by the Company, and establishing financing, collateral and other investment structures.

Maximum number of shares that can be acquired: The total nominal value of the Company's own shares may not exceed 5% of the current share capital at any time and the amount needed according to the purpose referred to above.

Nominal value of the shares to be acquired: EUR 0.35.

Consideration for the shares to be acquired: The current market price quoted on the Budapest Stock Exchange, but not less than HUF 1,000 and not more than HUF 7,000 per share (up to a maximum amount of EUR 500,000, calculated on the MNB central rate valid on the day of the respective transactions).

This authorization is valid for 18 (eighteen) months from the date of this resolution. Based on the authorization, the Board of Directors is also entitled to approve the interim balance sheet to be prepared in order to supervise the conditions of the acquisition of own shares.

Relevant part of the report of the Supervisory Board:

The Supervisory Board fully agrees with the submission and resolution proposal prepared by the Board of Directors regarding the authorization for the Board of Directors for the own share acquisition and proposes to the General Meeting to adopt the resolution proposal without any amendment.